

NO. 17-20-PGE



TOM DALZELL

BUSINESS MANAGER

PACIFIC GAS AND ELECTRIC COMPANY LABOR RELATIONS 375 N. WIGET LANE SUITE 130 WALNUT CREEK, CA 94598 925.974.4461 INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO LOCAL UNION 1245, I.B.E.W. P.O. BOX 2547 VACAVILLE, CALIFORNIA 95696 707.452.2700

ROBERT JOGA SENIOR DIRECTOR

June 22, 2017

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

Dear Mr. Dalzell:

In October 2015, the Company announced plans to consolidate its Hydro Generation switching centers in the DeSabla and Shasta areas from four switching centers into two. Since then, the Company and Union have been meeting to discuss the potential effects of this consolidation on employees, and the Company's interest in retaining experienced Hydro Operators, Relief Operators and Roving Operators throughout the consolidation and during the initial years after start-up of the new switching centers.

Incumbents

In accordance with Section 206.12 of the Physical Agreement, Company proposes to offer incumbent Hydro Operators, Relief Operators and Roving Operators incentives to remain in their current classifications and incentives to transition to and remain in the newly consolidated switching centers. For the purpose of this agreement, "incumbent" refers to Hydro Operators, Relief Operators and Roving Operators who are employed in one of the existing PIT 3, PIT 5, Rock Creek and Caribou powerhouses upon execution of this agreement. Anyone bidding into the newly consolidated headquarters in DeSabla and Shasta area following the execution of this agreement will *not* be eligible for the incentives. This agreement will take effect once signed, but the retention period will commence 45 days prior to the actual consolidation of the switching centers as defined below.

Bidding Impact

All employees covered under this Agreement who voluntarily elect to remain in their current classification with the above-mentioned consolidated powerhouses will be eligible for a lump sum retention bonus of \$15,000.00. In order to receive the bonus, the incumbent agrees to stay within their current classification and Area of Responsibility (AOR), as defined below, until consolidation. In addition, incumbent commits to transition to the new powerhouse and work within their AOR and remain there for 24 months, during which time s/he waives their Title 205 bidding and transfer rights, except to an Operator, Relief or Rover position within the DeSabla and PIT AOR's defined below to which they are assigned at the commencement of the retention agreement period. Once the retention period ends, incumbents may elect to exercise their Title 205 rights. Incumbents accepting the retention bonus above will be required to sign a Retention Bonus Agreement committing them to remain in their AOR for the specified length of time.

The retention period of 24 months will commence 45 days prior to the actual consolidation and operational startup of the newly consolidated switching centers. This date for each newly consolidated facility will be determined by the Company. Once the retention period commences, all new employees that bid or are hired into the AOR's will not be eligible for the retention bonus, but they will be subject to the rules that govern the AOR's.

Areas of Responsibility (AOR)

The parties agree to establish four separate AOR's to govern vacation, floating holidays and overtime assignments that are specific to the individual AOR's as defined below. The parties agree that the Company has the sole right to cancel the AOR's defined below. In addition, there is no sunset clause on the defined AOR's. If the Company desires to cancel any or all of the AOR's as defined, they will provide written notice to the Union 180 calendar days prior to cancelation of any or all of the AOR's.

New employees hired or accepting bids to the established consolidated switching centers will also be required to adhere to the AOR's and will be assigned by the Company to an AOR. All affected employees will be required to actively participate in cross training within their respective AOR's and the AOR in which they do not have competency.

Current Unassigned Operators

At the commencement of this agreement, all unassigned operators within the defined headquarters of this agreement will be placed into assigned operator positions in their current reporting locations. Normal contractual provisions will apply to any new unassigned operators entering the defined AOR's after the commencement of this agreement.

New Apprentices

New employees hired or accepting bids to the newly established consolidated powerhouses will also be required to adhere to the AOR's and will be assigned by the Company to an AOR. Per 205.13 and 205.19, the parties agree that the Company will be able to place six provisional placements in any order into journey-level positions within the consolidation areas as defined above.

Oversight Committee

A joint Oversight Committee will be established to maintain oversight of the implementation of this agreement and to monitor and address any issues that may arise as a result of this agreement. This includes discussion of any operational issues or changing business needs to ensure continuing dialogue regarding any unintended omissions or required modifications to this agreement.

Shasta - AOR's

PIT 5 - AOR

All Relief Operators, Rovers and Hydro Operators will maintain their current positions and work within their current AOR. This AOR is defined as the current PIT 5 physical and geographical location and will consist of the same duties and responsibilities as they exist today, prior to consolidation. Hydro and Relief Operators within this AOR will function in their current capacity at PIT 3 once consolidation occurs. All future positions filled will go on the contractually appropriate overtime (OT) list for the PIT 5 AOR.

PIT 3 - AOR

All Relief Operators, Rovers and Hydro Operators will maintain their current positions and work within their current AOR. This AOR is defined as the current PIT 3 physical and geographical location and will consist of the same duties and responsibilities as they exist today, prior to consolidation. Hydro and Relief Operators within this AOR will function in their current capacity at PIT 3 once consolidation occurs. All future positions filled will go on the contractually appropriate OT list for the PIT 3 AOR.

DeSabla- AOR's

Caribou- AOR

All Hydro Operators and Relief Operators will maintain their current positions and work within their current AOR. This AOR is defined as the current Caribou Powerhouse (PH) physical and geographical location and will consist of the same duties and responsibilities as they exist today, prior to consolidation. Hydro and Relief Operators within this AOR will function in their capacity at Rock Creek PH once consolidation occurs. All future positions filled will go on the contractually appropriate OT list for the Caribou AOR.

All Relief Operators (PIO – Present Incumbent Only) will be placed on a list for duties that are normally performed by a "Roving Operator". When the Company hires new Roving Operators to the Caribou AOR, these Roving Operators will be placed on the Caribou Roving Operator list for all duties, vacation, floating holidays and overtime opportunities. Once Roving Operators are hired into the Caribou AOR, separate OT lists will be kept for the

existing reliefs to differentiate between outside (Rover) work and inside (Relief) work. Once a PIO'd Relief Operator bids out of the Caribou AOR, s/he will be forever removed from the Caribou Roving Operator list until they bid back into that AOR or headquarters as a Roving Operator for this AOR. Hydro Operators, Relief Operators and Roving Operators within the Caribou AOR will have the ability to volunteer for prearranged overtime at Caribou.

Rock Creek- AOR

All Relief Operators, Rovers and Hydro Operators will maintain their current positions and work within their current AOR. This AOR is defined as the current Rock Creek PH physical and geographical location and will consist of the same duties and responsibilities as they exist today, prior to consolidation. Hydro and Relief Operators within this AOR will function in their current capacity at Rock Creek once consolidation occurs. All future positions filled will go on the contractually appropriate OT list for Rock Creek.

on the contractually appropriate OT list for Rock Creek.	
If you agree, please so indicate in the space provided Company.	below and return one executed copy of this letter to the
	Very truly yours,
	By: Robert Joga Senior Director
The Union is in agreement.	LOCAL UNION NO. 1245, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO
	By: In Daly Dom Dalzell Business Manager