301.4)

PACIFIC GAS AND ELECTRIC COMPANY

PGWE

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245 MARKET STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

I. WAYLAND BONBRIGHT

MANAGER

INDUSTRIAL RELATIONS

September 3, 1985

Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO P. O. Box 4790 Walnut Creek, CA 94596

Attention: Mr. J. K. McNally, Business Manager

Gentlemen:

This confirms the Company's understanding of the settlement reached August 27, 1985, between the Company's Negotiating Committee and the Union's Negotiating Committee with respect to Subsection 301.4(a) of the Physical Agreement. The per diem amounts in Zones 1 - 5 inclusive shall be increased by \$.25 effective January 1, 1986. Zone 6 shall be increased by \$.75 effective January 1, 1986 and by an additional \$1.00 effective January 1, 1987.

The new per diem schedule shall be as follows:

Road Miles From the City Hall Or Principal Intersection Of Employee's Residence To The

Zone	Repor	Reporting Location*						Amount of	Per Diem
								1986	1987
1	More	than	25	but	35	or	less	5.50	5.50
2	11			11			11	9.25	9.25
3	11	11	45	11	55	11	tt.	12.50	12.50
4	#1	11	55	11	65	11	11	17.25	17.25
5	***	**	65	**	75	* *	11	22.25	22.25
6	More	than	75					33.25	34.25

* The principles set forth in Subsection 301.3(b) also dictate whether the city hall or principal intersection is to be used for this purpose.

(Note: The per diem amounts listed above will be in effect from January 1, 1986 through December 31, 1987.

Sincerely,

Monbright

IWB:ml