



**Pacific Gas and
Electric Company**

Industrial Relations

2850 Shadelands Drive, Suite 100
Walnut Creek, CA 94598

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December 2, 1999

DATE RECEIVED
BY LU 1245
12/3/99

Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P. O. Box 4790
Walnut Creek, CA 94598

Attention: Mr. Jack McNally, Business Manager

Dear Mr. McNally:

The Company and Union agreed to establish a vanpool program at Diablo Canyon Power Plant in Letter Agreement 92-36. After 8 years of service, the vans have reached the end of their useful life and the Company will not be replacing them. Therefore, the Company is exercising its right to cancel Letter Agreement 92-36 by providing this 30 days notice.

The Company has donated the vans to the San Luis Ride On van program. It is our understanding that the San Luis Ride On van program will provide Diablo Canyon employees an option to continue a ride sharing program.

This has been discussed with the local Business Representative.

Sincerely,

Rick R. Doering
Manager and Chief Negotiator