

## LETTER AGREEMENT NO. 00-57-PGE



PACIFIC GAS AND ELECTRIC COMPANY INDUSTRIAL RELATIONS DEPARTMENT 2850 SHADELANDS DRIVE, SUITE 100 WALNUT CREEK, CALIFORNIA 94598 (925) 974-4104 INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO LOCAL UNION 1245, I.B.E.W. P.O. BOX 4790 WALNUT CREEK, CALIFORNIA 94596 925-933-6060

STEPHEN A. RAYBURN, DIRECTOR AND CHIEF NEGOTIATOR

JACK McNALLY, BUSINESS MANAGER

November 9, 2000

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 parties have had many discussions over the years concerning the licensed operator training program at Diablo Canyon Power Plant. The most recent letter agreement, 97-58, provides in part for employees to have two opportunities to participate in the licensed training program. Selection for training is in order of Company service with the sole requirement that employees must have maintained an average score of 85% on the first attempts of the weekly non-licensed operators tests taken in the year period immediately preceding the start of license class.

The RO license class is an average of 14 to 17 months of intensive classroom and practical training ending with an NRC license examination. Attendance at this training is driven by the expected future need for additional RO licenses balanced by current operational considerations given that attendees are unavailable for work for a protracted period of time.

It is expected that several of the candidates for the next RO license class will be employees who have dropped out of previous classes because they were unable to maintain satisfactory scores. This increases the likelihood that the next RO license class will be unable to produce the necessary number of licenses. To address this issue in the short term, the Company proposes, after discussions with the local Business Representative, to pay certain employees who have volunteered, and in fact agree, to forfeit their rights to attend license class and progress to Control Operator a lump sum distribution of \$25,000, less applicable taxes. At the employee's option, the lump sum distribution may be split into two separate payments to be made by December 31, 2000 and January 31, 2001. This offer will be applicable to the following individuals:

- 1. Drummond
- 2. Winans
- 3. Riley

If agreed to, the Company retains the option of reinstating an employee's right to attend license class in the future and such employee will not be required to provide reimbursement to the Company.

This proposal applies only to the above employees and should not be construed as a commitment to propose any such arrangement in the future.

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.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

y: \_\_\_\_

Stephen A. Rayburn

Director and Chief Negotiator

The Union is in accord with the foregoing and agrees thereto as of the date hereof.

LOCAL UNION NO. 1245, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

Nou 10 , 2000

Jack McNally

**Business Manager**