



LETTER AGREEMENT NO. 01-09-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

March 15, 2001

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 IBEW, Local 1245 recognize a need to continue to utilize temporary employees to meet the interests of both parties. Some of the factors include: (1) to have qualified personnel perform work that is temporary in nature; (2) to have work performed in classifications that will be modified or eliminated as a result of technological advances; (3) to avoid the implementation of the demotion and layoff procedures as a result of adding employees to the regular work force for work that will not continue in the near future; (4) to provide employment security for the regular work force and to maintain the standard of living for such work force; and (5) to work together cooperatively to meet the objectives of both parties.

It is not the intent of the parties to have temporary employees replace regular employees. Notwithstanding any other understanding between the parties, Company shall not involuntarily layoff any employee for lack of work in a department where temporary employees are being utilized in that same department.

This proposal modifies, consolidates, and clarifies Letter of Agreements 95-54, 95-87, 95-115, 95-145, 95-146 and 95-148, regarding temporary employment within the IBEW bargaining unit at PG&E.

The Physical and Clerical Agreements shall apply to these temporary employees unless otherwise specifically agreed to by the Company and Union in writing. Attached is the Hiring Hall Process and Procedures.

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

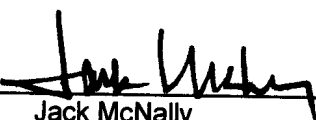
By: _____


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

By: _____


Jack McNally
Business Manager

March 5 2001

LOCAL UNION 1245

P.O. Box 4790, Walnut Creek, CA 94596
3063 Citrus Circle, Walnut Creek, CA 94598
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**I
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W**

Jack McNally
Business Manager

Howard Stiefer
President

April 25, 2001

Stephen A. Rayburn
Director and Chief Negotiator
Industrial Relations Department
Pacific Gas and Electric Company
2850 Shadelands Drive, Suite # 100
Walnut Creek, CA 94598

RE: Letter Agreement 01-09-PGE, Hiring Hall

Dear Mr. Rayburn:

The Union is signing letter agreement 01-09-PGE with the understanding that under Section F, "Duration of Temporary Employment," the counting of the 12 consecutive months begins with the signing of the agreement.

Thank you for your consideration in this matter.

Sincerely,


Jack McNally
Business Manager

HIRING HALL PROCESS AND PROCEDURES

A. REQUEST FOR TEMPORARY EMPLOYMENT

When the Company needs temporary employees, Company shall initially request Local 1245 to refer applicants for such work pursuant to this agreement. The request shall be submitted in writing and include:

1. The classification needed;
2. Special skills, licenses, certification or training required when justification is demonstrated by Company;
3. The specific reporting headquarters which is not to be changed except pursuant to the provisions of Title 301;
4. The reporting date and person the temporary employee is to report to; (if the person reporting has the reporting date delayed by the Company by seven calendar days or more the individual may decline the referral and maintain his/her registration date.
5. The duration of the work, if known;
6. The hours of work in the reporting department;
7. The numbers of hours to be worked in a regular work week if the position is part-time.

The Company shall normally submit requests by Friday at 2:00 p.m. for referrals to be made in the following week. Further, requests shall not include:

1. Intermittent employment;
2. Specific names of individuals requested;
3. Any provision that would be in conflict with this agreement or the Labor Agreements.

Company shall confirm in writing to the Union all temporary hiring and terminations within a reasonable time period.

Company shall first fill all temporary vacancies at a headquarters per Sections 205.3 and 305.4 of the Physical Agreement and 18.3 of the Clerical Agreement prior to utilizing this agreement for temporary employment.

The regular method of hiring temporary employees to the Company shall be through this agreement. However, Company may continue to hire employees under the provisions of 106.12 of the Physical Agreement and 24.5 of the Clerical Agreement in lieu of the provisions of this agreement. The agency employment provisions of the Clerical Agreement shall be limited to an exception basis. If Union is unable to supply temporary applicants within a reasonable time frame Company may utilize agency employees until such time Union does refer applicants for the position.

Hiring of temporary employees through the terms of this agreement shall be considered contracting pursuant to Exhibit XVI of the Physical Agreement.

B. CLASSIFICATIONS, QUALIFICATIONS AND PAY RATES

The classifications, qualifications, and pay rates shall be those already negotiated by the parties as contained in the Physical and Clerical Agreements unless otherwise specifically agreed to by the parties. In addition, temporary employees must meet pre-employment drug testing and background check standards. Meter Readers are also required to pass the Company's Meter Reader Test Battery. Temporary employees are not eligible for progressive wage increases and shall normally be paid at the beginning rate of their classification unless:

1. they meet the requirements of C1 or C2 contained herein, or
2. have worked for 12 consecutive months in the classification.

C. PRIORITY OF REFERRALS

Applicants for temporary employment at Pacific Gas and Electric Company shall be prioritized in the following groups:

1. Company employees that held positions in the line of progression in the same or higher classification in the previous 60 months;
2. Company employees that held positions in the line of progression in the same or higher classification;
3. Individuals that held positions and have experience in the same or higher equivalent classifications elsewhere and meet Company's agreed to qualifications;
4. Inexperienced individuals that meet PG&E agreed to entry qualifications.

After six months of continuous employment, hiring hall employees may submit to the Union a request for a transfer to a new location for the same classification currently held. The request shall be handled in the same manner as a request for referral. Only one transfer request will be honored in any 12

month period. Further, Company may transfer Title 300 hiring hall employees in accordance with the provisions of Title 301. Further, Sections 205.18, 301.18 and 18.16 of the Agreements are applicable to hiring hall employees.

D. INELIGIBILITY FOR HIRING HALL EMPLOYMENT AND REJECTION OF REFERRALS BY COMPANY

Individuals are not eligible for referral to Company or may be declined to be hired by Company per the following:

1. The determination must not be arbitrary or capricious;
2. The rejection shall not be with the intent or purpose to bypass individuals in an attempt to hire a specific person;
3. A person who is rejected for employment shall receive a reporting fee of \$100.00 or 8 hours pay, whichever is higher, provided the person reported for work on time, with the appropriate tools and equipment, and fit for duty;
4. Former PG&E employees who have been determined not eligible for re-hire are not to be referred for temporary work provided Union is notified in writing by Company prior to a referral;
5. Individuals may be excluded for referral for a period of 12 months if the Union is notified in writing by Company after an employee has concluded a period of work. In such event, the individual must also be sent a copy of the 12 month preclusion for the request to be valid. Such notification must be specific as to the involved classifications and will be effective upon receipt by Union.
6. Individuals who fail to meet the pre-employment background check or drug testing shall not be eligible for further referrals unless otherwise agreed to by the Joint Hiring Hall Committee. Additionally, Union may request the determination of such failure be referred to the committee to ascertain the appropriateness of such determination. Further, when the committee agrees an individual has committed gross mis-conduct, the individual will not be eligible for any other referral unless specifically agreed by the committee. Mis-conduct will include sale or usage of drugs on the job, theft, gross insubordination, "curbing" of meter reads, falsification of Company records.

E. HIRING HALL EMPLOYMENT CONDITIONS

Hiring hall employees are subject to the following conditions:

1. Subject to being released from work at the sole discretion of the Company;
2. Shall not attain regular status or any regular status entitlements unless otherwise agreed to by the parties;
3. Shall not be eligible for supplemental benefits;

4. Shall be paid a benefit factor for each hour worked. The factor is the total of the hours payments as provided in the IBEW 1245 Outside Line Agreement of (a) Lineco, (b) NEBF, and (c) pension. The factor will be changed at the same time there is a change in the Outside Line Agreement;
5. Will be considered as a new hire if hired by Company into a regular position for all purposes unless otherwise agreed to in writing by the parties, such as Letter Agreement 00-31-PGE. Individuals who desire to be considered for regular employment must notify Pacific Gas and Electric Company directly.
6. May not be downgraded in pay from the classification referred to; however, may be upgraded in pay and classification in accordance with the Agreements for a period not to exceed 40 hours during any period of continuous employment excluding overtime hours.
7. May be granted up to a maximum of 80 hours off without pay during any period of continuous employment exclusive of other time off provided in the Agreements, such as holidays, inclement weather, etc. Such time off must be approved by the Company and may be extended by written agreement at the local level between Union's Business Representative and Company's Human Resource Advisor.

F. DURATION OF TEMPORARY EMPLOYMENT

Utilization of temporary employees in accordance with this agreement shall not exceed 12 consecutive months within a department, location and classification unless otherwise agreed to in writing by the Joint Hiring Hall Committee. This section is not applicable while the Company is unable to fill the position in the department and headquarters.

G. FAILURE TO COMPLY

In the event it is determined Company has failed to comply with any provision of this agreement resulting in any individual losing any benefit or compensation, such individual will be made whole by the Company for the loss of benefits or compensation.

H. JOINT HIRING HALL COMMITTEE

A Joint Hiring Hall Committee shall be established comprised of four individuals, two appointed by each party. This committee shall meet at least quarterly, more often if requested by either party, to review the provisions of this agreement, recommend modifications and address issues referred to the committee as provided for in this agreement.

I. APPEALS COMMITTEE

An appeals committee shall be established comprised of three members; one member appointed by Union; one member appointed by Company; one public member appointed jointly by Company and Union. The public member will chair all meetings of the appeals committee.

The committee shall consider any complaint alleging a violation of this agreement arising out of the administration of the referral procedure. The complaint must be received in writing to the Business Manager of the Union within thirty days of the date of the action causing such complaint. The written complaint must contain:

1. The date of the alleged incident;
2. Details of the alleged violation;
3. Requested remedy.

Upon receiving a timely and appropriate complaint, the Appeals Committee shall schedule a hearing to investigate the complaint. The complaint shall be dismissed if the complainant does not appear after being notified of the hearing. The Committee shall have the authority to make a final and binding decision on any complaint. The Committee is authorized to issue procedural rules for the conduct of its business; however, the Committee is not authorized to add to, subtract from, or modify any provision of the Agreements or this agreement.

Agreed to costs of the public member shall be shared equally by the Company and Union.

Issues and complaints involving the interpretation and application of the Agreements are to be processed in accordance with the Agreement's grievance procedures.