



LETTER AGREEMENT NO. 01-15-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

April 5, 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:

Enclosed is the Gas Operator Qualification Plan which outlines the Company's responsibilities and procedures to ensure that it has a qualified workforce and that its operations comply with relevant Federal Pipeline Safety Regulations. The Company proposes to adopt this Plan to meet its legal obligations.

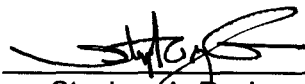
It is not the Company's intent to use this program as a disciplinary tool or as a tool to disqualify employees. The Plan is to ensure compliance with Federal Regulation. Employees will be provided the necessary training to be qualified.

Company further proposes that an Overview Committee consisting of three members appointed by the Union and three members appointed by the Company shall be established to review the Plan revisions as needed.

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

April 16, 2001

By: 
Jack McNally
Business Manager