



LETTER AGREEMENT NO. 02-38-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

PERRY ZIMMERMAN, BUSINESS MANAGER

August 27, 2002

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

Attention: Mr. Perry Zimmerman, Business Manager

Dear Mr. Zimmerman:

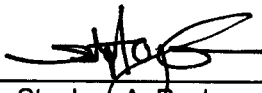
The Company proposes to waive, with restrictions, the residency requirements contained in Section 3.5 of the Physical Agreement for Mark Parrott, Troubleman, Petaluma.

Troublemembers headquartered in Petaluma and Geyserville are scheduled to be relocated to the Santa Rosa Service Center under Section 206.17 effective October 1, 2002. Mr. Parrott is the only Troubleman out of four (4) who would be required to move to meet the requirements in Section 3.5 of the Physical Agreement. Therefore, the Company does not wish to require Mr. Parrott to meet the residency requirements for the Santa Rosa Service Center. However, this proposal is based on Mr. Parrott's current residence. If agreed to, he will be expected to maintain his current residence or one of equivalent or closer proximity to the Santa Rosa Service Center headquarters.

If you are in accord with the foregoing and agree thereto, please so indicate in the space provided 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

Aug 30, 2002

By: 

Perry Zimmerman
Business Manager