

NO. 03-30-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 2547 VACAVILLE, CALIFORNIA 95696 (707) 452-2700

STEPHEN A. RAYBURN, DIRECTOR AND CHIEF NEGOTIATOR PERRY ZIMMERMAN, BUSINESS MANAGER

September 26, 2003

Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO P.O. Box 2547 Vacaville, CA 95696

Attention: Mr. Perry Zimmerman, Business Manager

Gentlemen:

In the recent table settlements between the Company and IBEW Physical and Clerical bargaining units, the parties agreed to make changes to the UnitedHealthcare Point-of-Service, Preferred Provider and Out-of-Area Plans. These plans have been replaced by two new plans, a preferred provider plan and an out-of-area plan. The Company is referring to these plans as the "Network Access Plan" or NAP and the "Comprehensive Access Plan" or CAP, to reduce confusion with the names of the predecessor plans.

One of the settlement items for the NAP and CAP plans is to emphasize disease management and develop special features to enhance disease management.

Effective January 1, 2004, Company proposes adding a new voluntary program, Cancer Resources Services (CRS). This program will be available to employees and retirees who have selected NAP or CAP as their medical plan. CRS is designed to help people who have complex cancers get the information they need to understand their cancer diagnosis and their treatment options.

Highlights of the CRS Plan include:

- o Members with cancers can contact experienced nurses for education and advice.
- Members with cancers will have access to top cancer specialists at premier cancer centers across the country with coverage at the network benefit level.
- Complex cancer treatment can require integration between cancer specialty centers and local providers depending on the individual needs of a patient. CRS will help coordinate care between multiple providers and facilities.
- Members may also be eligible for reimbursement of travel and lodging expenses when getting care at a CRS cancer center as approved and administered by CRS. These benefits are subject to IRS coverage limitations.
- Members must call CRS before they begin receiving care at a participating CRS cancer center to obtain travel benefits and to ensure network benefits.

This Company considers this program a "pilot" program. If the program does not appear to be achieving desired outcomes, the Company may cancel this program. In addition, it can be cancelled if UnitedHealthcare discontinues CRS or if UnitedHealthcare is no longer the medical plans' third party administrator.

Additional details regarding the CRS Program are attached.

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.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

Stephen A. Rayburn

Director and Chief Negotiator

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

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

Perry Zimmermar

Business (Manager





When you or a loved one are diagnosed with cancer, you are faced with making some difficult and important decisions. Among the most important decisions you can make are what treatment to get and where to get it. You may have questions such as –

- "Where is the best place to go for treatment of my kind of cancer?"
- "Can I get the care I need in my home community?"
- "Should I get a second opinion before I make a decision about my treatment?"

We are very pleased that your employer has decided to include Cancer Resource Services as part of your comprehensive health benefit package. Through this program we can provide information and help answer some important questions. We can also arrange for and coordinate access to a full range of comprehensive cancer treatment services provided by our network of cancer centers of excellence.

Why are they called "centers of excellence?" Because these cancer centers –

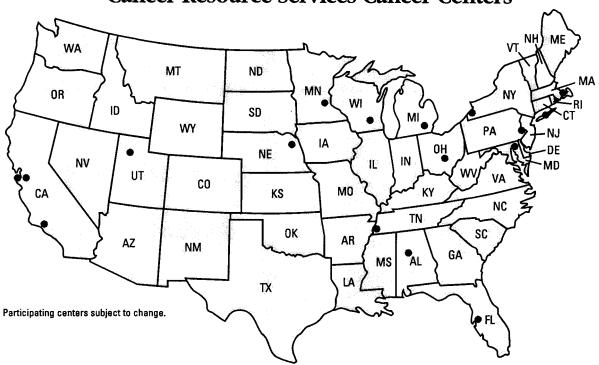
- Have comprehensive, highly specialized teams of experts with extensive experience diagnosing and treating each type of cancer, even rare cancers.
- Can provide a second opinion if you are unsure about your diagnosis or what treatment is right for you.
- Perform a large number of cancer surgeries and other complex procedures. Patients often have better outcomes when treated in a "high volume" cancer center.
- Offer new treatments that may be the best option for some patients.

To contact us and learn more about your benefits through Cancer Resource Services, please feel free to call our nurse consultants at **1-866-936-6002**. This is a toll-free number. Currently the call line is staffed from 7 AM to 7 PM Central Time, Monday through Friday (excluding holidays). There is no charge to you for this service, and you have no obligation to use a Cancer Resource Services cancer center.

Remember, 'cancer' is not one disease, but represents a wide spectrum of diseases. Each case is different and the needs of each person with cancer are different. We encourage you to make your decisions about where you receive your care in consultation with your physician and based upon your personal values, needs and preferences. We are here to help you if you need us.

If you have questions about your benefits, please call the toll free member services number on your insurance card.

Cancer Resource Services Cancer Centers



ALABAMA

University of Alabama at Birmingham

Comprehensive Cancer Center* — Birmingham

CALIFORNIA

City of Hope Cancer Center* — Duarte
Stanford Hospital and Clinics* — Stanford
UCSF Comprehensive Cancer Center* — San Francisco

FLORIDA

H. Lee Moffitt Cancer Center and Research Institute* — *Tampa*

MARYLAND

The Sidney Kimmel Comprehensive Cancer Center at Johns Hopkins* — *Baltimore*

MASSACHUSETTS

Dana-Farber/Partners Cancer Care* (Dana-Farber Cancer Institute, Brigham & Women's Hospital and Massachusetts General Hospital) — *Boston*

MICHIGAN

University of Michigan
Comprehensive Cancer Center* — Ann Arbor

MINNESOTA

Fairview-University Medical Center at the University of Minnesota— *Minneapolis*

NEBRASKA

Nebraska Health System/University of Nebraska Medical Center* — Omaha

NEW YORK

Memorial Sloan-Kettering Cancer Center* — New York Roswell Park Cancer Institute* — Buffalo

UHIU

James Cancer Hospital at The Ohio State University* — Columbus

PENNSYLVANIA

Fox Chase Cancer Center* — Philadelphia

TENNESSEE

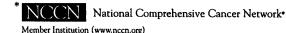
St. Jude Children's Research Hospital* — Memphis

UTAH

Huntsman Cancer Institute at the University of Utah* — Salt Lake City

WISCONSIN

University of Wisconsin Comprehensive Cancer Center — *Madison*





[Date]

Dear [Company Name] Employee:

We are pleased to offer you access to **Cancer Resource Services**, a new program offered through UnitedHealthcare. This program provides assistance, information and access to select top cancer centers on an in-network basis if you or a covered dependent is diagnosed with cancer. Please note that use of this program is completely voluntary, and there is no charge to you if you take advantage of it. The attached flyer describes the program and how it might be helpful for you or a covered dependent.

Cancer Resource Services is intended to help you understand all your cancer care options. It is not intended to offer medical advice – you still make the decision about what care to receive and where to receive it. In fact, it is always a good idea to discuss such important decisions with your own doctors and others you trust.

Cancer Resource Services has agreements with many of the nation's leading cancer centers. To be part of the Cancer Resource Services network, these centers have provided UnitedHealthcare with detailed information about their programs and services. They have completed a lengthy evaluation process to demonstrate that they are truly among America's best cancer centers.

By contacting Cancer Resource Services, you can be sure that your claims will be paid on an in-network basis if you use any of these cancer centers. You will also have coverage if you choose to participate in a clinical trial offered by these centers. In addition, you will be reimbursed for your eligible travel and lodging expenses (limitations apply). To ensure that you make the most of these advantages, you must contact Cancer Resource Services at 1-866-936-6002 (toll-free) prior to receiving care at a participating Cancer Resource Services cancer center.

Please refer to the attached flyer for information on how contact a Cancer Resource Services nurse consultant. Please be sure to verify your eligibility and benefits as you usually do, by calling the Member Services number on your insurance card.

Sincerely,

[NOTE: Language on clinical trials and travel and lodging is included if the employer approves.]

Announcing - Cancer Resource Services

We would like to announce a new program available to employees who have selected UnitedHealthcare as their medical plan. Cancer Resource Services (CRS) is designed to help people who have cancer get the information they need to understand their cancer diagnosis and their treatment options. In addition, experienced CRS nurses can help you choose the best physician and cancer center for treatment of your specific kind of cancer.

Through this program you also have access to top cancer specialists at premier cancer centers across the country with coverage at the benefit level with the lowest out-of-pocket cost to you. You may also be eligible for reimbursement of travel and lodging expenses when getting care at a CRS cancer center. To make the most of this new benefit, however, you must call Cancer Resource Services **before** you begin receiving care at a participating CRS cancer center.

For additional information about Cancer Resource Services, participating cancer centers, or for questions about your cancer diagnosis, please call a CRS nurse consultant, toll free, at 1-866-936-6002. Nurses are available from 7am to 7pm Central Time, Monday through Friday excluding holidays. Or click on this link (www.urncrs.com) to go to the Cancer Resource Services' Web site for more information about the products and services now available to you. This program is voluntary and there is no cost to you for using it.

Cancer Resource Services is a product of United Resource Networks, a UnitedHealth Group company.