

LETTER AGREEMENT

NO. 04-38-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 2547 VACAVILLE, CALIFORNIA 95696 (707) 452-2700

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

August 13, 2004

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:

Pursuant to the provisions of Subsection 112.10(c) of the Physical Labor Agreement, Company proposes to place Larry Yates, industrially injured Underground Construction Foreman, Burney, who has permanent work restrictions. The restrictions are no lifting more than 30 lbs. and no sitting, standing, driving, stooping, or kneeling for more than two hours at a time. The placement will be into a modified Underground Construction Foreman position in his current Department in Burney. The Company is able to accommodate these restrictions, and Mr. Yates will perform work in his classification and lower classifications, as he is able, per the restrictions described above.

Mr. Yates' wages will be in accordance with Subsection 112.10(c)(1) of the Agreement.

This proposal has been discussed with Union Business Representative, Kit Stice.

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

Stephen A. Rayburn Director and Chief Negotiator

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

2004

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

mmuman Bv: Perry Zimmerman Business Manager