

## NO. 06-04-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

January 18, 2006

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

Dear Mr. Zimmerman:

The parties met on January 12, 2006 to discuss the lack of work in the Capital Accounting section of the VP & Controllers Department which will result in the elimination of the duties currently performed by the one Sr. Accounting Clerk II in that section. The need for the reduction is a result of automating the system currently used to provide reporting on assets and capital orders. The current system, a Microsoft Access based system called SAP Orders and Asset Reporting System (SOARS), is being replaced with the SAP Business Information Warehouse (BW). The Sr. Accounting Clerk II has primary responsibility for SOARS-related support.

Company proposes, pursuant to Section 19.12 of the Clerical Agreement, the following to address the needed reduction:

The parties agreed to provide Section 19.1 notification as soon as possible to all four Clerical employees in Capital Accounting: one Sr. Accounting Clerk II; two Sr. Accounting Clerk I and; one Accounting Clerk.

Upon the execution of this agreement, Company will offer to all four employees in this group Section 19.7 layoff with severance in accordance with Exhibit K of the Clerical Agreement. In the event there is more than one volunteer, Company will grant layoff with severance to the volunteer with the greatest years of service. In the event that the volunteer is a Sr. Accounting Clerk I, the Sr. Accounting Clerk II will maintain her classification and management will redistribute the work accordingly.

In the event that there are insufficient volunteers, Company will provide 19.1 notice to all employees in the Accounting Clerk line of progression and proceed with the Title 19 displacement procedure.

This process has been discussed with Assistant Business Manager Ken Ball and Business Representative Debbie Mazzanti.

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

Bv:

Perp Zimmerman
Business Manager

Jan 30 , 2006