

NO. 06-30-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

May 23, 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:

Humboldt Bay Power Plant (HBPP) presently employs three employees in the (1505) Radiation and Process Monitor classification. This classification is a HBPP classification only. Employees in this classification must meet ANSI/ANS-3.1 standards and in most respects perform a very similar function as, and must meet the same qualifications as, employees in the (2358) Traveling Chemical and Radiation Protection Technician classification at Diablo Canyon Power Plant (DCPP).

Therefore, the Company proposes pursuant to Section 204.4 of the Agreement that the classifications of (1505) Radiation and Process Monitor and (1506) Traveling Radiation and Process Monitor (HBPP) be eliminated and replaced with a newly established classification of (xxxx) Traveling Chemical and Radiation Protection Technician (HBPP only). The job definition, line of progression and reverse line of progression for this newly established classification will be identical to that of the (2358) Traveling Chemical and Radiation Protection Technician (DCPP).

With regard to the wage rate for the newly established classification, the Company proposes that the wage rate progression be the same as that of the (2358) Traveling Chemical and Radiation Protection Technician classification (DCPP), less 10 percent. The reason for this is that imbedded in the pay rate for the (2358) Chemical and Radiation Protection Technician (DCPP) is the 10 percent DCPP journeyman retention allowance. This journeyman retention allowance was negotiated for a purpose specifically related to DCPP. The proposed wage rate progression is:

| | Weekly rate | Hourly rate |
|-----------|-------------|-------------|
| Start | \$1,010.40 | \$25.26 |
| End 6 mo | \$1,090.40 | \$27.26 |
| End 1 yr | \$1,170.00 | \$29.25 |
| End 18 mo | \$1,258.80 | \$31.47 |
| End 2 yr | \$1,346.80 | \$33.67 |
| End 3 yr | \$1,384.80 | \$34.62 |
| End 4 yr | \$1,426.00 | \$35.65 |
| | | |

The Company further proposes that the three incumbents in the (1505) Radiation and Process Monitor be placed in the new classification at the top pay step.

The effective date of this agreement will be following HR/Payroll SAP conversion in July 2006.

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

Bv:

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:

Perry Zimmer

Perry Zimmerman

June 2, ____, 2006