

## LETTER AGREEMENT NO. 06-37-PGE



PERRY ZIMMERMAN.

BUSINESS MANAGER

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

July 10, 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:

Pursuant to the intent of Title 8, Labor-Management Cooperation, of the Physical Agreement, the parties have discussed creation of a special labor management committee to address issues of mutual concern in the Operations Department at the Diablo Canyon Power Plant.

The parties recognize that many of the policies, work processes and Company-Union agreements regarding the Operations Department Line of Progression at DCPP need to be reviewed and updated and to be reviewed by knowledgeable bargaining unit and management employees that are engaged in the work.

With that in mind, the Company proposes that the following apply:

**Intent:** The intent of the committee is to jointly identify and resolve issues and topics of mutual interest through open discussion and information sharing. The committee may also discuss issues subject to collective bargaining and may, where possible, make joint recommendations for consideration between the parties on such issues. The committee may not discuss issues that are currently in the grievance procedure without the expressed written consent of Company and Union Representative.

To begin, the parties have identified the following topic areas. Other topics may be added at the committee's discretion.

- Outage work scheduling
- Selection for, and number of attempts at, license class
- Operator responsibilities in the Control Room
- Physical fitness requirements for licensed personnel
- Fire brigade responsibilities

**Committee Make-Up:** The committee will be comprised of two Company representatives and three Union representatives. Union representatives will be appointed by the Union's Business Manager with one representative from each of the Union represented Operations Department classifications.

**Benchmarking, Site Visits and Expenses:** It is expected that in the course of its work, Committee members will conduct surveys and perform site visits to other union-represented nuclear utilities to identify best practices and alternate solutions. Such visits will be conducted on Company time where possible. Travel expenses will be paid by the Company and any travel time in conjunction with a committee visit will be paid at the straight-time rate of pay.

**Meeting Schedule:** The committee will meet on Company time at reasonable intervals as determined by the committee to conduct its work. Due to the nature of rotating shift schedules, it may not always be possible to meet during an individual employee's regular work hours. Where this occurs on a regular work day, such employee's hours may be adjusted by the Company to overlap the committee meeting schedule but will not require payment at the overtime rate, unless the employee is required to work beyond 12 hours in the workday.

**Committee Reporting:** The committee will keep minutes of its meetings and distribute jointly approved communications to Operations Department employees and Union Representatives on a regular basis.

**Duration:** The committee will be in effect for a maximum period of one year from the first meeting date, unless mutually extended by the parties. The committee may be disbanded by either party if either party believes the committee either completed its work or is not making sufficient progress. Cancellation may only occur after face-to-face discussion between Company and Union Representative.

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.

July 13 2006

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

malinar By: Perry/Zimmerman

Business Manager