

LETTER AGREEMENT

NO. 08-15-PGE



PACIFIC GAS AND ELECTRIC COMPANY LABOR RELATIONS DEPARTMENT MAIL CODE N2Z P. O. BOX 770000 SAN FRANCISCO, CA 94177 (415) 973-4310 STEPHEN RAYBURN DIRECTOR AND CHIEF NEGOTIATOR INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO LOCAL UNION 1245, I.B.E.W. P.O. BOX 2547 VACAVILLE, CALIFORNIA 95696 (707) 452-2700 TOM DALZELL BUSINESS MANAGER

April 15, 2008

Mr. Tom Dalzell, Business Manager Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO P.O. Box 2547 Vacaville, CA 95687

Dear Mr. Dalzell:

Company and Union have had discussions regarding clerical reductions within the Accounting and Computer Operations Lines of Progression within Customer Care and the parties have begun to explore the process for displacements of Clerical bargaining unit employees impacted as a result of changing business processes including work centralization or elimination.

Affected departments and classifications include:

- Revenue Section, V.P. and Controllers Department
 - Customer Fund Management/MLX in San Francisco five Sr. Accounting Clerks and two Accounting Clerks
 - Revenue and Statistics, Revenue Section in San Francisco one Sr. Accounting Clerk and two Accounting Clerks
- Bill Processing Section, V.P. and Controllers Department
 - o Bill, Print, Mail in West Sacramento one Sr. Computer Operator and four Computer Operators

Pursuant to Section 19.12 of the Clerical Agreement, Company proposes to offer the impacted employees the following options:

19.1 Notification

Provide Section 19.1 notification to all affected within the Sections and classifications above as soon as possible so that they may exercise their preferential bidding/transfer rights pursuant to Section 19.9 of the Agreement.

Workforce Transition Benefits

Concurrent with the 19.1 notice, Company will offer to the affected employee groups outlined above, workforce transition benefits pursuant to Letter Agreements 05-66 and 06-18 which would be applicable and triggered by the 19.1 notification.

The Company will cap the number of severances as needed.

Displacement Option Form

At the same time impacted employees are afforded their 19.1 notification, they will be given a Displacement Option Form, and seven calendar days to complete the form, indicating their preferences as follows:

- A vacancy within their classification or lower in the line of progression from a current list of vacancies. Employee must meet qualification requirements at time of election. Hiring hall employees in the affected department, headquarters and line of progression who are providing temporary relief for regular employees who are off on extended sick leave, leave of absence, or workers' compensation may remain in place for a limited period of time in accordance with the provisions of other existing Agreements between the parties. All other hiring hall positions within the department will be considered as vacancies prior to issuing Subsection 19.2 notices to affected regular employees.
- 2. Other entry level vacancies in the Clerical bargaining unit that are within a commutable distance.
- 3. Layoff with Severance (includes Transitional and Educational Leave options).

If there are more volunteers within a Section than needed, the most senior within the Section will have priority.

In the event there are insufficient volunteers, Company and Union will meet to consider other options, including expanding the voluntary severance offer to a larger group or proceeding with the provisions of Sections 19.2 – 19.7.

Either the Company or Union may cancel this agreement by providing 30 days advance written notice.

If you are in accord with the foregoing, and agree thereto, please so indicate in the space provided below and return on 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

April 16 ____, 2008

By: Tom Dalzell **Business Manage**