

LETTER AGREEMENT NO. 09-07-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

February 10, 2009

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

Dear Mr. Dalzell:

Company and Union met to discuss clerical reductions within the Accounting Line of Progression in the Capital Accounting Department and began discussions regarding a process for displacements of Clerical bargaining unit employees impacted by changing business processes including work automation and elimination.

Affected department and classifications include:

- Capital Accounting Section, V.P. and Controllers Department
- General Office San Francisco two Sr. Accounting Clerks and one Accounting Clerk

Upon execution of this agreement, Company will offer the two Sr. Accounting Clerks and the one Accounting Clerk in this group Section 19.7 layoff with severance in accordance with Exhibit K of the Clerical Agreement.

In the event that there are insufficient volunteers, Company and union will meet to discuss the possibility of expanding the voluntary severance to a larger group, and/or other opportunities for any impacted employee not wishing to leave the Company.

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.

In the event the Company gets to the provisions of Section 19.2-19.7 all Hiring Hall employees in the V.P. and Controllers Department will either be released or considered as options, except for those filling behind absent employees.

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 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

February 24 ____, 2009

By: Tom Dalzell **Business Manager**