



**Pacific Gas and
Electric Company.**

LETTER AGREEMENT NO. 10-42-PGE

IBEW



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS AND HUMAN RESOURCES 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

October 26, 2010

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

Dear Mr. Dalzell:

On September 15, 2010, a Joint Company-Union Committee met to discuss piloting a Close Call Reporting Program in the Electric Transmission/Substation Maintenance & Construction (TSM&C) Department. IBEW Local 1245 representatives were Ralph Armstrong, Russ Blacker, Jim Brager, Bob Dean, Mike Haentjens, and Steve Smith. Company representatives were Raj Beasla, Ed Bonnet, Kris Buchholz, Greg DeMars, Steve Dumont, Boris Gankin, and Steve Rayburn. Additional committee members that were not present are Tom Dalzell, Ron Van Hoosear and Sarah Speakman.

The Committee agreed to the following.

1. In an effort to improve employee safety, a Close Call Reporting Program will be piloted in the Electric Transmission/Substation M&C Department for 12 months following the execution of this letter agreement.
2. The objective of the Close Call Reporting Program is to create an environment where the reporting of human and organizational performance events is encouraged to help prevent other employees from making the same error and to avoid future injuries. The intent is to treat a human error as a learning opportunity. The Close Call Reporting Program is based on similar programs that have been successfully implemented by the Federal Aviation Administration (FAA), nuclear facilities, and the military services.
3. The Company will **not** take positive discipline action on human errors reported through the Close Call Program if there are no injuries, equipment damage, customer impact or violation of PG&E values.
4. The reporting of a close call may be done in one of three ways:
 - Anonymous Report - through the "Close Call" Hotline at 8-579-2253 or 415-330-2253.
 - Self-Report – made to the employee's supervisor.
 - Union Report – through the IBEW website hotline.

In all cases, the report should include what happened, how it happened, and what should be done to prevent recurrence.

- 5. The Company and Union recognize that trust between employees and management is essential for a successful Close Call Reporting Program. Therefore, the Company and Union will discuss any human errors where there is a question whether there were resulting injuries, equipment damage, customer impact, or a violation of PG&E values before disciplinary action is taken.
- 6. Within 30 days of execution of this letter agreement, a subcommittee of Greg DeMars and Mike Haentjens will implement an employee communications plan for this letter agreement. The communications plan will include an employee communications package and schedule of joint Company-Union presentations at all headquarters so that there is a consistent message given to all TSM&C employees.
- 7. The full committee outlined in paragraph one will meet within 60 days of implementation and quarterly thereafter to monitor program implementation. The committee will make a recommendation on whether to regularly establish the Close Call Reporting Program or expand the pilot no later than 11 months after execution of the letter agreement.

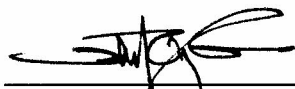
Upon 30 days written notice, either party may cancel this agreement.

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

_____, **November 3**, 2010

By: _____



Tom Dalzell
Business Manager