PACIFIC GAS AND ELECTRIC COMPANY

245 Market Street San Francisco 6 SUtter 1=4211

In reply please refer to

La 12-10-63

December 10, 1963

Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO 1918 Grove Street Oakland 12, California

Attention: Mr. Ronald T. Weakley, Business Manager

Gentlemen:

On July 29, 1963, the Company and the Union entered into an agreement concerning the status of an employee in a beginning classification who is appointed to a beginning classification in another line of progression. Since then we have discussed revising this understanding to include an employee who is in a classification higher than a beginning classification.

It is proposed that the following understanding be agreed to relative to the status of Division physical employees who are either in beginning classifications or classifications higher thereto and who are appointed to a beginning physical classification in a different line of progression. This understanding will supersede our agreement of July 29, 1963.

In the event that Company appoints to such beginning physical classification a Division physical employee from another line of progression, such employee shall retain his present rate of pay, or the top rate of pay established for the beginning classification in the new line of progression, whichever is the lesser. Where such employee is not at the top of the rate of pay provided for in the beginning classification to which he is being appointed, he shall be credited with his former beginning classification seniority for the purpose of further wage rate progressions in the classification to which he is appointed.

Any Division employee, so appointed, in order to be considered as a 205.7(b) or 205.7(d) bidder must be at the top of the rate of pay established for his present beginning classification and must have been in such classification for a period of at least six months. At the expiration of this six months' period, he shall be credited in such beginning classification with all classification seniority acquired in any physical classification, other than Laborer, in other lines of progression, up to a maximum of six (6) months.

La 12-10-63

Local Union No. 1245, IBEW

-2-

December 10, 1963

It is further proposed that this letter of understanding shall be effective January 1, 1964.

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.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

Bv Industrial Relations Mana

The Union is in accord with the foregoing and it agrees thereto as of the date hereof.

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

<u>December 18</u>, 1963

Weakley By Business Manager