

LETTER AGREEMENT NO. 19-04-PGE



PACIFIC GAS AND ELECTRIC COMPANY LABOR RELATIONS 375 N. WIGET LANE SUITE 130 WALNUT CREEK, CA 94598 925.974.4461 MATTHEW LEVY DIRECTOR 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

March 12, 2019

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:

Since 1988, outage recognition programs which award paid time off for achieving defined outage goals have been offered to employees performing work on refueling outages at the Diablo Canyon Power Plant (DCPP).

Performing safer, shorter and less expensive outages remain primary and important goals of PG&E and for that reason the Company is proposing an incentive program for the next refueling outage, 1R21.

This program is shown as Attachment A.

If you agree, 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:

Matthew Levy C

The Union is in agreement.

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

By:

Tom Dalzell Business Manager

March 12th , 2019

DIABLO CANYON POWER PLANT

1R21

INCENTIVE PROGRAM

Our Mission

To safely and reliably deliver affordable and clean energy to our customers and communities every single day, while building the energy network of tomorrow.

Our Vision

With a sustainable energy future as our North Star, we will meet the challenge of climate change while providing affordable energy for all customers.

Our Culture We put safety first.

We are accountable. We act with integrity, transparency and humility. We are here to serve our customers.

We embrace change, innovation and continuous improvement.

We value diversity and inclusion. We speak up, listen up and follow up. We succeed through collaboration and partnership. We are one team.

I. Incentive Plan Structure

The Outage Incentive Plan has been designed to recognize the performance of the organization in the areas of the DCPP Business Plan cornerstones: Safety, Reliability, Organizational Effectiveness, Cost and Environmental Stewardship. This program provides for incentive components based on performance goals structured around the safety components of these goals, and awarded following the completion of the outage.

This award applies to regular PG&E employees who directly support the outage or whose normal job function must continue through the outage. The award will not apply to contractors, temporary additional employees, hiring hall and building trades personnel. The award will be paid as additional time off with pay. Having safe, efficient, and effective outages is our goal as an industry leader, has value to PG&E and our customers, and is an effort that should be rewarded.

II. Conditions of Incentive Award

After the outage, the Nuclear Power Generation (NPG) officers will determine an overall recognition award, based on performance against pre-established outage goals. The maximum achievable incentive award is ten hours with pay. The breakdown of the incentive goals is listed below, and is structured around safety.

If significant events occur that dramatically affect safety, the NPG Vice President reserves the right to adjust this amount accordingly, up to elimination of the award for very serious events. Conversely, the award amount may also be raised to recognize exemplary performance.

Example: If human error leads to a significant personnel injury, the Officer may choose to eliminate all award components.

III. Incentive Goals and Allocation

Goals have been established in areas that are in alignment with the DCPP Operating Plan cornerstones, and apply to all individuals supporting the outage as specified above. The award hours will be allocated as follows:

| AREA | GOAL | AWARD |
|--|--|--------------------|
| SafetyIndustrial SafetyRadiological Safety | SIF Exposure = 0 SIF Potentials / 0 SIF $\frac{1R21}{\leq 27 \text{ Person-Rem}}$ | 3 hrs** 3 hrs** |
| Nuclear Safety | No unplanned loss of decay heat removal within station control. No unplanned reduction below outage safety plan minimum due to human error. | 4 hrs** |

* Final goals to be determined by Site Vice President

** The award hours represent an approximate breakdown of how the award will be determined. The Site Vice President will review total outage performance and will award either five hours with pay, ten hours with pay, or no additional paid time off, depending on overall safety performance.

IV. Administration

After the time off award has been determined by the NPG officer, the award will be administered as follows:

A. General Eligibility

All Nuclear Generation Business Unit employees and PG&E employees who are matrixed or assigned to Diablo Canyon Power Plant (DCPP) operations in full-time support of the refueling outage, for a minimum duration of four weeks, will be eligible for participation in the program. This plan does not include PG&E employees headquartered outside of DCPP who support the outage on overtime.

The award will not apply to contractors, temporary additional employees, hiring hall and building trades personnel.

NOTE: Participants who leave before the end of their outage assignment or who are discharged will not be eligible for an outage recognition award. Specific employee eligibility will be determined by Generation Business Unit management and Human Resources.

B. Individual Award Determination

The Outage Incentive Program provides for an opportunity to earn additional paid time-off.

- 1. The paid time off award will be determined by the Vice President of Nuclear Generation based on the program criteria outlined in the Outage Incentive Program for PG&E active status employees.
- 2. The individual award basis applicable to the employee's organization and status is as follows:
 - a) Nuclear Generation Business Unit regular full-time employees and other matrixed PG&E employees who work at DCPP full time, who are on active payroll at the end of the outage, will receive the full award earned. Employees on rotation outside of DCPP during the outage may be excluded at management's discretion.
 - b) Other PG&E regular full-time employees who support the outage full-time for a minimum of four weeks will be eligible for the paid time off award. Nuclear Generation Business Unit employees who do not support DCPP Refueling Outages may be excluded at management's discretion.
 - c) Employees in full-time equivalent job share arrangements will receive an award the same as full-time employees, but allocated subject to the job share arrangements.
 - d) Part-time employees are not eligible for time off awards under this program.

C. Pro-Rated Awards

Employees who support the refueling outage for less than four weeks, or employees whose leave of absence or paid time off prevents them from working at least four weeks during the outage period are ineligible for the paid time off award. Pro-rated awards will not be granted.

D. Award

The final award (time off with pay) will be determined and awarded within 60 days of the conclusion of the outage. If less than ten hours are awarded, then awarded hours may be combined with vacation hours for a full day off, subject to supervisor approval and operational need. Award hours earned in 1R21 will be granted to eligible employees and observed as "time off with permission, with pay". The award must be observed on a single workday, with comments in Workforce detailing "1R21 Outage Award". Time off must be requested by employees and approved in advance by a Supervisor within 30 days of the award notification. Time off will be subject to operational need and should follow standard department processes for requesting time off (e.g., operations employees would submit a "blue slip" to request the time off). This program is not intended to create additional overtime costs. For this reason, supervisors should not approve time off under this program that will cause overtime without appropriate approvals. The award must be used within 90 days. If ten hours are awarded, employees who work a 5 x 8 or 9/80 schedule must use the remaining hours in conjunction with a vacation day or floating holiday within the 90-day period. Any award time off not used within 90 days shall be forfeited. Employees are encouraged to utilize any time off awarded through this program during planned vacation time that has already been scheduled to occur inside the 90-day window.

E. Term

This program applies to Unit 1 Refueling Outage (1R21).

F. Exceptions

All exceptions will be directed to the Outage Incentive Program Administrator, DCPP Human Resources and will be subject to Officer approval.