PACIFIC GAS AND ELECTRIC COMPANY

245 MARKET STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

July 15, 1983

Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO P.O. Box 4790 Walnut Creek, California 94596

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

Pursuant to Section 205.13 of the Physical Agreement, Company proposes to fill a vacant Environmental Protection Monitor position at the Geysers Power Plant by appointment from outside the Company.

Company has attempted to fill this position internally since July 1, 1982, when the vacancy was initially posted on the employment bullentin. However, despite this posting, and subsequent repostings on December 1, 1982, and March 1, 1983, no qualified bidders are available.

While numerous 205.7 (d) and (e) post bids were received, only three employees elected to take the prerequisite Environmental Protection Monitor test, and of these, all have failed.

Therefore, in light of the fact that Company has unsuccessfully attempted to fill this position for over one year, and that there currently is an ongoing process of improving the environmental monitoring capabilities at the Geysers, Company proposes to fill this position by appointment pursusant to Section 205.13 of the Physical Agreement without reference to the time limits prescribed in Title 205.6.

It is our understanding that this proposal has the concurrence of the North Bay Business Representative.

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

Manager of Industrial Relations

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

Business Manager