PACIFIC GAS AND ELECTRIC COMPANY

PGWE +

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

January 10, 1985

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:

The Review Committee referred Case No. 1606 to Ad Hoc Negotiations. During subsequent discussion between the parties, it was agreed that Company would propose a Letter of Agreement to address the only remaining issue raised by that grievance.

Effective with the execution of this Letter Agreement, regular status General Construction employees with two or more years of service who are demoted or displaced due to medical reasons shall be extended preferential consideration, pursuant to the provisions of Section 306.9 of the Physical Agreement, to return to such former classification(s) and line of progression. Such preferential consideration shall only be to classifications held on other than a temporary basis.

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 Company.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

Manager of Industrial Relations

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

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

March 7, 1985

By Business Manager