PACIFIC GAS AND ELECTRIC COMPANY

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April 8, 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:

Pursuant to Section 212.12 of the Physical Labor Agreement, Company proposes to modify Subsection 212.2(a) for the Los Banos headquarters of the San Joaquin Valley Region.

Subsection 212.2(a) reads, in part, "On January 1, the accumulated overtime will be reduced to zero for all employees. This procedure is to be continued annually thereafter."

The proposed change would read:

At the beginning of each quarterly period, the accumulated overtime will be reduced to zero. Quarterly periods would be January 1 through March 31, April through June 30, July 1 through September 30, and October 1 through December 31.

The proposal is being made at the request of the employees at the headquarters who believe it will eliminate the "fair weather" employee from getting the same overtime hours for the year as those employees who volunteer all year.

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

Bubuek r 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

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