

PACIFIC GAS AND ELECTRIC COMPANY

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

August 21, 1986

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:

Currently, employees hired into General Construction apprenticeships from outside the Company are required to pass the Arithmetic Computation Test prior to the completion of 12 months of service. Their retest opportunities are governed by the schedule set forth in the Master Apprenticeship Agreement, i.e., if the first test is failed, the employee is precluded from taking a retest for three months; if the employee fails the second retest, the employee cannot be retested for an additional six months.

This procedure, spread out over 12 months, has seemed to work to the disadvantage of the employee in that if the second retest is not taken in a timely manner then the employee is unable to get a third opportunity due to the procedure of having to wait six months.

In an attempt to standardize the administration of the ACT for all employees hired directly into a training program, Company proposes that all such employees be given the ACT at the completion of two months, and if additional tests are requested, up to a total of three attempts, they will be given at intervals of 30 days. If the employee is unsuccessful in passing the ACT prior to the end of the sixth month, irrespective of the number of attempts, the employee will be displaced from the training program by demotion or termination, depending upon the employee's suitability for continued employment or previously negotiated conditions.

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

By Al Bonbright
 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

By Jack McNally
 Business Manager

Aug 28, 1986