PACIFIC GAS AND ELECTRIC COMPANY

PGWE +

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

December 17, 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:

Pursuant to Letter Agreement 86-94-PGE, the Company proposes to extend the pilot ten-hour, four-day workweek schedule at the Fremont Gas Meter Repair Plant.

The pilot was implemented October 20, 1986 and is scheduled to end on December 26, 1986. The Company proposes to extend the pilot to June 30, 1987, at which time a decision will be made concerning adoption of the new schedule on a regular basis. The extension will provide time to more fully evaluate the ten-hour, four-day workweek. The terms of the initial September 18, 1986 letter of agreement will remain in effect during the extension period.

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-CIG

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Business Manager