PACIFIC GAS AND ELECTRIC COMPANY

PGME +

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

January 26, 1987

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:

We propose to reclassify the following Control Operators, Classification Code 1586, at Avon Power Plant to Power Plant Operators, Classification Code 1717:

Timothy M. Bell - Control Operator
James W. Martin - Control Operator
Rolly D. Misenhimer - Control Operator
Clyde O. McCollum - Control Operator
Donald G. Dunnaway - Control Operator
Eddie Williams - Control Operator

The Company is placing Avon Power Plant in cold shutdown. All maintenance and operating personnel, except the above-mentioned Control Operators, will be relocated to Oleum Power Plant on February 1, 1987.

In the event one or more of the above Control Operators becomes unavailable, the Company proposes to utilize a Control Operator or upgrade the appropriate Assistant Control Operator from Oleum Power Plant.

The job definition for the proposed Power Plant Operators is consistent with the job definition of the Power Plant Operators currently assigned to the Oakland Power Plant and listed on Page 2 of Exhibit VI-B, Job Definitions and Lines of Progression for the Steam Generation Department.

The rates of pay for the Control Operator (1586) and Power Plant Operator (1717) are the same.

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

Feb 3, 1987

By Business Manager