PACIFIC GAS AND ELECTRIC COMPANY

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

March 6, 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:

In accordance with the provisions of Section 3.5 of the Physical Agreement, Company proposes to waive the residency requirement for Frank Stone, Troubleman, Woodland.

Prior to January 1, 1987, Mr. Stone was headquartered in Sacramento, however, as a result of reorganization, his headquarters was changed to Woodland. Mr. Stone's current residence (4466 G. Parkway, Sacramento, CA 95823) is 31 miles and 37 minutes from the Woodland Service Center.

This distance does not pose an operational problem.

This proposal has been discussed with Wayne Greer, Union Business Representative.

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

Mary 16, 1987

Business Manager