PACIFIC GAS AND ELECTRIC COMPANY

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LABOR AGREEMENT CLARIFICATION

Subject: Rights of employees to be offered choice of vacancies

Title 205 -- Job Bidding, Promotion and Transfer -- Physical Agreement

Title 18 -- Job Bidding, Promotion and Transfer -- Clerical Agreement

During the recent general negotiations several changes were made in the Job Bidding, Promotion and Transfer Titles of the Physical and Clerical Agreements. Specifically, Company and Union agreed to a forfeiture provision which would bar the bid or transfer application of an employee to a particular classification and headquarters for a period of six months in the event the employee turns down a job offer to fill a vacancy in that particular classification at that headquarters. In an effort to protect an employee who is the senior, qualified bidder to more than one vacancy, which is currently being filled, Company and Union agreed to the addition of 205.4(i) and 18.4(i) for prebidding and 205.5(c) and 18.5(b) for transferring. In reviewing the language for transfers, 205.5(c) and 18.5(b), it is found that the protective language negotiated was inserted inappropriately and should have been added to the remainder of 205.5(d) and 18.5(c) for the Physical and Clerical agreements, respectively.

Company therefore proposes to correct the inaccuracies resulting from the misplacement of the negotiated language by this clarification.

For Company Richar B. Brus J. Date 12/27/58