

PACIFIC GAS AND ELECTRIC COMPANY

PGE + 215 MARKET STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 972-7000 • TWX 910-372-6587

August 3, 1989

Local Union No. 1245
 International Brotherhood of
 Electrical Workers, AFL-CIO
 P. O. Box 4790
 Walnut Creek, CA 94596

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

Company has recently made organizational changes affecting bargaining unit sections in the Controller's organization, as follows:

1. The Payment Accounting Department has been integrated into the new Accounting Services Department. The Accounting Services Department now includes the Payables Processing Section and Payroll Section. In addition, the Data Collection Section has become the Accounting Data Control Section and is included in the Accounting Services Department. Bidding and displacement rights remain the same since the sections for these groups have not been disturbed by the reorganization.
2. The Job Analysis and Appraisal Section has been combined with the Plant and Depreciation Section in the Construction Accounting Department. The new combined Section is now the Plant Accounting.

In order to reduce confusion and effect a consistent application in the treatment of "section" in relation to letter agreement 85-165, Company proposes, pursuant to Section 18.17 and Section 19.12, that the former Job Analysis and Appraisal Section and the former Plant and Depreciation Section be treated as one section, i.e. Construction Accounting, for purposes of Titles 18 and 19.

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 Company.

Yours very truly,

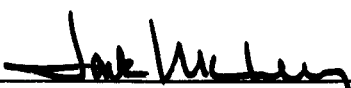
PACIFIC GAS AND ELECTRIC COMPANY .

By 
 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

Sept 19, 1989

By 
 Business Manager