

**Pacific Gas and Electric Company**215 Market Street  
San Francisco, CA 94106  
415/972-7000

August 9, 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:

Mr. Guillermo A. Velez, a Groundman in San Francisco Division, Golden Gate Region, has requested a leave of absence to complete his Associate of Arts Degree. In order to comply with the request, San Francisco Division would have to hire a relief behind Mr. Velez, who would possibly gain regular status under Title 106.

Because San Francisco Division does not have the flexibility to increase its headcount requirement and because of restrictions imposed by Letter Agreement 88-104, there would be a problem upon Mr. Velez's return.

Company, therefore, proposes that agreement be reached to waive the provisions of Letter Agreement 88-104, for the purpose of returning Mr. Velez to work. In the event that contracting does exist, and the relief employee has attained regular status, the impacted employee would exercise rights under the provisions of Title 206.

This proposal has been discussed with Mr. Ed Caruso, 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 Company.

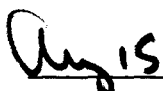
Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

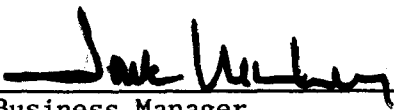
By

  
 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

 , 1989

By

  
 Business Manager