Pacific Gas and Electric Company

215 Market Street San Francisco, CA 94106 415/972-7000

October 30, 1989

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

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

Company proposes to modify Subsection 111.13(b) of the Physical Agreement to allow Fleet Services employees in Mission Division to take vacations in half-day increments.

Company's proposal will increase productivity in the department by allowing employees to take vacation in half-day increments to handle personal matters, instead of granting employees time off with permission and without pay as we have done in the past.

Company's proposal is not intended to restrict employees from requesting and receiving time off with permission and without pay as circumstances warrant it, but to recognize that many employees would prefer to take a half-day vacation to handle personal matters instead of using a full-day's vacation or time off without pay.

Since the Fleet Services employees do not travel between work locations during the day, as other physical employees typically do, Company believes that this proposal would serve the best interest of our employees and local management.

This proposal has been discussed with Union Business Representative Perry Zimmerman.

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,

By Pull B. Brand

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

Nov 15, 1989

Business Manager

PFSE