PACIFIC GAS AND ELECTRIC COMPANY

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

January 24, 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:

The following is Company's understanding of our discussion on January 24, 1989, concerning the study of a Nuclear Rewards and Recognition Program.

- 1. Company will communicate to the Union the representative breakdown of the employee population in the focus groups to be conducted.
- 2. Bargaining-unit employees in the focus groups will be selected by the Union.
- 3. Company will communicate to the Union the basic topics to be discussed by the focus groups.
- 4. A Union representative may attend and observe focus group meetings.
- 5. Results of the focus groups will be reported back to the general employee population.
- 6. A joint review of the focus group results will be conducted with Union representatives coincident with or following the report to the general employee population, but prior to the convening of a design team.
- 7. Union will select the bargaining-unit members of the design team(s).
- 8. A Union staff member may be involved in the program design.

9. The final program design, if any, will be implemented through a letter agreement as it affects bargaining-unit members.

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.

Very truly yours,

PACIFIC GAS AND ELECTRIC COMPANY

By Rid B Bull 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

Jan 26, 1989

Business Manager

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