

P.O. Box 4790
 Walnut Creek
 CA 94596
 3063 Citrus Circle
 415 933.8060
 FAX 415 933.0115

IBEW

90-46-PGE

International
 Brotherhood of
 Electrical
 Workers, AFL-CIO

Jack McNally
 Business Manager

Howard Stiefer
 President

March 6, 1990

Pacific Gas and Electric Company
 215 Market Street, Room #916
 San Francisco, California 94106

Attention: Mr. Richard B. Bradford

Gentlemen:

Attached is a clarification of Title 19, Demotion and Layoff Procedure of the Clerical Agreement. This document combines the agreements reached by Union and Company as represented in Letters of Agreement 89-108 and 90-33.

It is the parties' understanding that in instances where the language of Title 206 of the Physical Agreement and Title 19 of the Clerical Agreement are identical, the most recent clarification shall take precedence.

If you are in accord with the foregoing and attachments and agree thereto, please so indicate in the space provided below and return one executed copy of this letter to the Union.

Very truly yours,

LOCAL UNION NO. 1245, INTERNATIONAL
 BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

By Jack McNally
 Business Manager

The Company is in accord with the foregoing and attachments and agrees thereto as of the date hereof.

PACIFIC GAS AND ELECTRIC COMPANY

By Richard B. Bradford 3/22, 1990
 Manager of Industrial Relations

DM:kmk
 Attachment

CLARIFICATION OF TITLE 19

DEMOTION AND LAYOFF PROCEDURE

I. SECTION 19.1 – GENERAL RULES

- A. Title 19 applies to regular employees only. Probationary employees are not covered under this Title but can be impacted by this Title. (See Subsection 18.2(a)).
- B. Part-time, intermittent, and full-time employees will be treated as separate groups for purposes of Title 19, i.e., part-time employees may only displace other part-time employees, intermittent employees may only displace intermittent employees, full-time employees may only displace full-time employees. (See LA 85-110).
- C. Subsection 19.1(a) provides that employees have preferential transfer and bid rights pursuant to Sections 18.5(a) and 18.8(a) upon notice of impending demotion or displacement. The timeliness provisions of Sections 18.4(d) and 18.5(c) do not apply for the purpose of granting consideration under the provisions of Sections 18.5(a) or 18.8(a).

EXAMPLE #1

A Sr. Operating Clerk I, who has been given notice, would have accelerated rights to any vacancy in a Sr. Operating Clerk I, Operating Clerk or Utility Clerk-Operating classification in the system. In order to exercise these rights, the employee must submit transfers or prebids and check the appropriate box.

- D. Subsection 19.1(b) provides that service is as defined in Section 17.3 of the Labor Agreement, unless otherwise defined by letter of agreement, Review Committee Decision or Arbitration Award.
- E. The Supplement to Title 19—Demotion Units, 1 through 12, found on page 126 of the Clerical Agreement defines the term "Region" and "Division" for purposes of this Title.
- F. Subsection 19.1(c) provides that for each succeeding Section of this Title, a vacancy(s), if one or more exists, is considered to be the junior employee for that classification. In no event will this be construed to supersede the employee's rights or options as provided in Sections 19.3, 19.4, 19.5, or 19.6.

EXAMPLE #1

If a Service Representative elects to utilize Section 19.3 and a vacancy in a Utility Clerk-C/S classification at that headquarters exists, the vacancy shall be considered the junior Utility Clerk.

EXAMPLE #2

A Service Representative is subject to Demotion/Displacement. There is a junior Utility Clerk-C/S classification headquartered in that location for 18.3 purposes. There is a vacant Meter Reader position in that headquarters. The Meter Reader vacancy is not an appropriate substitute and shall not be substituted for the displacement of the junior Utility Clerk-C/S at the headquarters.

I. F. Cont'd.

EXAMPLE #3

If a Service Representative located at Concord headquarters of Diablo Division elects to utilize Section 19.4(a)(1) to maintain his classification and a Service Representative position is vacant in Diablo Division, the vacancy shall be considered the junior Service Representative in that Division. If there is more than one headquarters in that Division with a Service Representative vacancy, the employee has the choice of headquarters. If there is no vacancy in the Division the junior Service Representative in Diablo Division would be displaced.

EXAMPLE #4

If the Concord Service Representative cannot exercise a 19.4(a)(1) election and elects to utilize 19.4(a)(2) to maintain his/her classification and a Service Representative position is vacant in East Bay Region (Demotion Unit #1 of Supplement to Title 19), the vacancy shall be considered the junior Service Representative in the Region. If there is no vacancy in the Region, the junior Service Representative in East Bay Region would be displaced.

- G. For the purpose of this Title, a vacancy is any position the company intends to fill on a regular basis. At the employee's option, the employee may elect to fill a temporary additional vacancy. (Note: Filling a temporary additional vacancy may lead to further displacement in the future.)
- H. If the displacing employee elects not to fill a temporary/additional vacancy, or to displace an employee in a temporary/additional position, such employee shall then be allowed to displace the junior employee in the classification without a temporary/additional designation, consistent with Item I.G of this Clarification and Title 19.1(d) of this Title.
- I. Subsection 19.1(d) provides that all beginning level jobs, and other classifications specifically agreed to by both parties, are considered to be at an equal wage rate (see Section 18.5(f) - list of beginning classifications). Certain beginning classifications with automatic progression and training programs are excepted from consideration as beginning classifications above the 18 month step of the progression. (See LA 89-26 and LA 89-42 for further information. Note: Classifications included in the exception are not restricted to those classifications listed in LA 89-26 and LA 89-42.)
- J. Subsection 19.1(e) provides that employees who are temporarily assigned to another classification (in or out of bargaining unit) have options based on their regular classifications, headquarters and lines of progression.
- K. Positions held by employees not on the active payroll shall be affected by demotion, displacement or layoff, but such employees shall effect their options as they exist upon their return to the active payroll.
- L. Under Subsection 19.1(f) an employee will have the opportunity to become qualified during the period of notice or until demotion or layoff occurs, in accordance with the provisions of LA 82-29. Employees must be qualified for the position by the end of the notice period or when demotion or layoff occurs, except in those situations where Company and

I. L. Cont'd.

Union have agreed to specific prerequisites, in which event demotion/displacement will be held pending the determination of qualifications.

- M. When more than one employee is the subject to demotion or displacement all of the potential options will be identified and each of the affected employees are to prioritize their choices with the most senior employee's choice given first consideration.

EXAMPLE

Three Concord Service Representatives are subject to demotion and/or displacement. Their 19.3 options include the three junior Utility Clerks at that Headquarters. Their 19.4 options include the two Service Representatives in Antioch whose dates of employment are 3/15/84 and 4/6/84 and one Service Representative in Walnut Creek whose employment date is 2/10/84. All three Service Representatives are concurrently given the complete list of all of the potential options. The following is an example of how each of the Service Representative's lists would appear after each has returned it listing their priorities.

Service Rep. A (DOE = 6/12/82)	Service Rep. B (DOE = 9/15/83)	Service Rep. C (DOE = 2/9/84)
[3]Ut.Clk., Concord(3) [2]Sv.Rep., Antioch(2) [1]Sv.Rep., W.Creek(1)	[1]Ut.Clk., Concord(3) [2]Sv.Rep., Antioch(2) [3]Sv.Rep., W.Creek(1)	[3]Ut.Clk., Concord(3) [2]Sv.Rep., Antioch(2) [1]Sv.Rep., W.Creek(1)

[The numbers in brackets to the left represent the employee's priority ranking of potential options. The numbers in parentheses to the right represent the number of positions potentially available.]

Note: As a result of Service Rep B's election to demote to Utility Clerk, the Service Rep in Walnut Creek is no longer an option. Based on the elimination of that option, Service Representatives A, B, and C will demote/displace as follows:

- Service Representative A = Service Rep., Antioch
- Service Representative B = Utility Clerk, Concord
- Service Representative C = Service Rep., Antioch B.

II. **SECTION 19.2 - NOTICES**

- A. Under 19.2(a), Company will give affected employee(s) as much notice as possible, but not less than five workdays, regardless of when the actual demotion or displacements shall take place.
- B. For the purposes of administering Section 19.2, when the implementation is to take place the time periods provided for in (b) and (c) must be combined and would allow an employee a total of five workdays to respond after receipt of the list.

- III. E. The three clerical lines of progression are Customer Services, Operating, and Accounting.
- F. The departments for the Customer Services and Operating lines of progression are:

Customer Services Line of Progression

1. Customer Services [Shall include those employees performing primarily Customer Service functions and some Marketing functions.]
2. Marketing
3. Region/Division Manager's Office [Affected employee can only displace into bargaining unit classifications in these offices]

Operating Line of Progression

1. Electric [May include Service Planning]
2. Gas
3. General Services [May include Administrative Services, Support Services, Fleet Services]
4. Pipe Line Operations
5. Materials Distribution
6. Design Drafting
7. Reprographics

NOTE: Employees working in a combined operating clerical unit shall demote/displace to the Gas or Electric Department, depending on the department in which the employee last worked. If the employee has always worked in a combined operating clerical unit, then the employee may exercise rights to displace the junior employee in the appropriate Gas or Electric department, i.e., if the junior Utility Clerk in the headquarters happens to be in the Gas Department, the displacing Operating Clerk will displace into the Gas Department. If the junior Utility Clerk at the headquarters is in the Electric Department, the displacing Operating Clerk will displace into the Electric Department.

- G. The departments for the General Office organizations are:
1. Vice President and Comptroller's organization (including Customer Accounting)
 2. Computer Operations Department
 3. Reprographics Sections
 4. Design Drafting Department
 5. Mail Services Section
 6. Building Maintenance and Operations Section

See letter agreement 85-165 (attached) for further clarification of the application of Title 19 in the General Office organizations.

III. H. The reverse normal lines of progression are:

Customer Services Department

Sr. Service Representative II > Sr. Service Representative I
Sr. Service Representative I > Service Representative
Service Representative > Utility Clerk-Customer Services

{Credit Rep. & Meter Reader
{Credit Representative > Meter Reader (1)

Senior Meter Reader > Meter Reader

- (1) Unless the employee's immediate previous classification was Service Representative or higher, in which event the affected employee has the option of demoting to Meter Reader or Service Representative.

Marketing Department

Sr. Service Representative II > Sr. Service Representative I
Sr. Service Representative I > Service Representative
Service Representative > Utility Clerk-Customer Services

Appropriate Operating Department as Listed in "F" Above

Sr. Operating Clerk II > Sr. Operating Clerk I
Sr. Operating Clerk I > Operating Clerk
Operating Clerk > Utility Clerk-Operating

Sr. Gas Accounting Clerk II > Sr. Gas Accounting Clerk I
Sr. Gas Accounting Clerk I > Gas Accounting Clerk
Gas Accounting Clerk > Gas Chart Calculator

Vice President and Comptroller's Organization
(including Customer Accounting)

Sr. Accounting Clerk II > Sr. Accounting Clerk I
Sr. Accounting Clerk I > Accounting Clerk (2)
Accounting Clerk > Utility Clerk-Accounting (3)
Machine Operator > Utility Machine Operator

- (2) Unless the employee's immediate previous classification was Machine Operator or higher, in which event the affected employee has the option of demoting to Machine Operator or Accounting Clerk.

- (3) Unless the employee's immediate previous classification was Utility Machine Operator or higher, in which event the affected employee has the option of demoting to Utility Machine Operator or Utility Clerk.

III. H. Cont'd.

Computer Operations

- Sr. Computer Operator > {Computer Operator I-A
- > {Computer Operator I
- > {Computer Operator I-B
- > {Computer Operator II
- > {Computer Operator III

- Lead Data Entry Operator > Data Entry Operator

Reprographics

- Reprographics Job Coordinator > {Commercial Photographer
- > {Sr. Reprographics Operator
- Commercial Photographer > Reprographics Operator A
- Sr. Reprographics Operator > Reprographics Operator A
- Reprographics Operator A > Reprographics Operator B

Mail Services Section

- Sr. Accounting Clerk II > Sr. Accounting Clerk I
- Sr. Accounting Clerk I > Accounting Clerk
- Accounting Clerk > Utility Clerk (4)
- Mail Clerk Driver > Utility Clerk

(4) Unless the employee's immediate previous classification was Utility Machine Operator, in which event the affected employee has the option of demoting to Utility Machine Operator or Utility Clerk.

IV. SECTION 19.4 - ELECTIONS TO CHANGE HEADQUARTERS OR DEPARTMENT

- A. 19.4 options are to be available at the same time as options under Section 19.3.
- B. The options available under the provisions of 19.4(a) are limited to employees with three years or more of company service.
- C. The options available under the provisions of 19.4(b) are for employees with less than three years of company service.
- D. Subsection 19.4(c) assures that an employee's options under 19.4(a) and (b) shall be based upon his or her classification prior to being given notice of demotion or displacement under Section 19.2.

V. SECTION 19.5 - ELECTION TO RETURN TO PREVIOUS LINE OF PROGRESSION

- A. This election is available only to those employees who have no election available under 19.3 and have no election under 19.4 or who opt not to make an election under 19.4.

- V. B. This Section could include a return to a line of progression covered by the physical bargaining unit, or the same or another classification in another line of progression in the clerical bargaining unit.
- C. The determination of six months is an accumulation of time in the specific classification only.

EXAMPLE #1

A Meter Reader who has previously been in the Steam Maintenance line of progression and worked for five months as a Helper-Electrical Maintenance and two months as a Helper-Technical Maintenance does have the required six months in the classification.

EXAMPLE #2

An Operating Clerk who has previously been in the Customer Services line of progression worked five months as Utility Clerk and three months as a Meter Reader is not eligible to return to either a Utility Clerk or Meter Reader classification.

- D. Previous line of progression is defined to include any classification not listed in the agreed to reverse line of progression.

EXAMPLE

A Credit Representative could return to any classification not listed in the agreed to reverse line of progression for the Credit Representative; e.g. if the Credit Representative had previously worked as a Utility Clerk for six months prior to entering the Credit Representative line of progression, as defined for purposes of Title 19.

- E. An employee, eligible under Section 206.5 or 19.5 to return to a classification in a former line of progression is not subject to the wage restriction provisions of Subsection 206.1(d) or 19.1(d). For example, an employee who previously held the classification of Operating Clerk and is currently classified as a Meter Reader, if eligible under the provisions of Section 19.5 to return to the Operating Clerk classification would not be restricted because he or she is currently in a classification having a wage rate lower than that of the classification from which they would be displacing another employee.

VI. **SECTION 19.6 – BUMPING EMPLOYEE IN BEGINNER'S JOB**

- A. This election is only available to those employees who have no elections under 19.3.
- B. All beginning level classifications listed in the clerical bargaining unit regardless of the line of progression or department of the identified classification shall be considered as a single group when determining the most junior employee. Certain beginning classifications with automatic progression and training programs are excepted from consideration as beginning classifications above the 18 month step of the progression. (See LA 89-26 and 89-42 for further information. Note: Classifications included in the exception are not restricted to those classifications listed in LA 89-26 and 89-42.)

VII. SECTION 19.7 – LAYOFF

- A. An employee can elect layoff in lieu of exercising options under 19.4, 19.5 or 19.6.
- B. An employee who is not affected by this Title may elect to take a layoff under this Title, without employing applications of Sections 19.1 through 19.6, thereby reducing the number of employees affected. Such employee shall have rights listed under Section 19.13. This option is restricted to the classification and work group of the affected employee.

VIII. SECTION 19.8 – MOVING ALLOWANCE

- A. There is no time limit on when the move should occur, but employee must file a notice of intent within 90 days of transfer (see pages 129–130 of Clerical Agreement).
- B. An employee is not required to move within a commutable distance (45 minutes or 30 miles), but must move closer to new headquarters to qualify for the moving allowance.

IX. SECTION 19.9 – ACCELERATED PROMOTION

- A. Employees will be given consideration under Subsections 18.5(a) and 18.8(a) in order of seniority regardless of whether their 19.9 rights are 19.9(a) or 19.9(b).
- B. Subsection 19.9(a) provides that employees who do not exercise their rights under this Subsection to return to their former status (classification, headquarters, and department) forfeit their rights under 19.9(a). In order to exercise these rights, employees must have prebids and/or transfers on file to their former classification and headquarters at all times.

Subsection 19.9(a) provides for a displaced employee's accelerated return to former classification and headquarters. Because this would not necessarily result in the employee's regaining former bid/upgrade privileges, department is also a part of the employee's accelerated rights in regaining former status.

EXAMPLE

A Utility Clerk-Typist in the Electric Operating Department in Santa Rosa is displaced to Utility Clerk in Customer Services in San Rafael. The employee has accelerated rights back to classification and headquarters, that is, Utility Clerk, Santa Rosa. Therefore, the employee is entitled to accelerated rights under 19.9(a) to all Utility Clerk classifications headquartered in Santa Rosa. Once there, however, the employee continues to have 19.9(a) rights to Utility Clerk in the Electric Operating Department in Santa Rosa since returning to that department would make the employee's status whole. [Please note: the employee does not need to regain a classification with typing to be considered whole since his/her upgrade/prebid status is now the same as it was prior to the displacement.] (LA 88-102).

- IX. C. Subsection 19.9(b) allows demoted employees accelerated rights to return to their former classifications without regard to location. Once the employee has successfully returned to the classification held prior to demotion, only the provisions of 19.9(a) will be applicable, i.e., return to headquarters.
- D. Subsection 19.9(b) also provides that a demoted employee has accelerated rights to any vacancy in any intermediate classification of the reverse line of progression of the employee's former classification (see Fact Finding Committee Case No. 567-77-164).

EXAMPLE

A Sr. Oper. Clerk I in the San Jose Electric Department who has been demoted to Utility Clerk in Santa Cruz has the following rights under the provisions of 19.9:

- a) Under the provisions of 19.9(b), 18.8(a) prebid rights to Operating Clerk at any headquarters in the Company on a one-time basis only; and
- b) Under the provisions of 19.9(b), 18.8(a) prebid rights to Sr. Oper. Clerk I at any headquarters in the Company on a one-time basis only. Once the employee regains the classification held prior to demotion, the employee continues to have 18.8(a) rights under the provisions of 19.9(a) back to the headquarters and department held prior to demotion, i.e., Sr. Operating Clerk I in the San Jose Electric Department.

X. **SECTION 19.10 - DEMOTION TO UNIT FROM OUTSIDE**

- A. The provisions of this section do not apply to employees in any other unit, e.g., ESC, IUSO, or Physical bargaining unit.
- B. When the Company demotes a non-unit weekly employee into the bargaining unit, such employee shall be reclassified at the current headquarters and Department to the equivalent bargaining unit classification (subject to Subsection 19.1{f}), but not higher than the classification held prior to leaving the unit, and thereupon be entitled to exercise the rights set forth in Title 19, if applicable. For example:

NOTE: Equivalent classifications would be to departments as determined by the Exhibit A Confidential Employees' Lines of Progression.

EXAMPLE #1

A Secretary B, Customer Services, who previously held the classification of Service Representative would be reclassified to Service Representative. The junior Service Representative in the department would then exercise Title 19 rights, if necessary.

EXAMPLE #2

A Secretary B, Gas, who previously held the classification of Sr. Service Representative I would be reclassified to a Sr. Operating Clerk I. The junior Sr. Operating Clerk I would then exercise Title 19 rights, if necessary.

X. B. Cont'd.

EXAMPLE #3

A Human Resources Clerk, who previously held the classification of Sr. Operating Clerk I would be reclassified to a Service Representative. The junior Service Representative would then exercise Title 19 rights, if necessary.

When the Company demotes a non-unit weekly employee into the bargaining unit, who has never previously held a bargaining-unit classification, such employee shall be reclassified at the current headquarters and Department to a beginning classification, and thereupon be entitled to exercise the rights set forth in Title 19, if applicable. For example:

EXAMPLE #1

A Human Resources Clerk, who had never held a bargaining unit classification, would be reclassified to a Utility Clerk, Customer Services. The junior Utility Clerk would then exercise Title 19 rights, if necessary.

- C. Such employees displaced from their headquarters but not demoted would only have 19.9(a) rights under Title 18.
- D. When the Company demotes a supervisory or other monthly employee into the bargaining unit, such employee shall be reclassified at the current headquarters and Department to the highest classification previously held by the employee in the bargaining unit and thereupon be entitled to exercise the rights set forth in Title 19. If the supervisory/monthly employee has not previously worked in the bargaining unit, then that employee shall be reclassified to a beginning classification in that Department and headquarters. Such employee cannot displace another employee with greater service.

NOTE: A supervisory or other monthly employee of an Human Resources Department would be reclassified in accordance with these provisions to a classification in the Customer Services Department.

EXAMPLE #1

Company is to demote for lack of work an Administrative Services Supervisor who held the classification of Sr. Service Representative II in Customer Services. Such supervisor would be reclassified to a Senior Operating Clerk II in the department, and thereupon exercise rights set forth in Title 19, if necessary.

EXAMPLE #2

Company is to demote for lack of work a Customer Services Supervisor who held the classification of Clerk B, Customer Services Department, prior to leaving the bargaining unit. Such supervisor would be reclassified to Senior Service Representative I (formerly called Clerk B), Customer Services Department, and thereupon exercise rights set forth in Title 19.

X. D. Cont'd.

If the Customer Services Supervisor had not previously worked in the bargaining unit, such supervisor would be reclassified to Utility Clerk or Meter Reader, Customer Services Department, and thereupon exercise rights set forth in Title 19.

EXAMPLE #3

If Company elects to demote a Residential Conservation Services Auditor who has not worked previously in the bargaining unit, such employee would be reclassified to Utility Clerk-Marketing Department, and thereupon exercise rights set forth in Title 19.

XI. **SECTION 19.11 – NOTICE OF LAYOFF**

- A. An employee will be given no less than 10 calendar days notice of layoff. The 10 calendar days will begin at the time the employee is first given notice of layoff under the provisions of Section 19.2.
- B. These provisions do not apply to an employee who does not have regular status.

XII. **SECTION 19.12 – ENABLER**

- A. This section permits modifications of any provision of Title 19 by written agreement between Company's Manager of Industrial Relations and Union's Business Manager.

XIII. **SECTION 19.13 – RE-EMPLOYMENT PROVISIONS**

- A. Re-employment provisions take precedence over the provisions of Title 18, where applicable, but following the application of Title 19 for displacements or layoffs for lack of work.
- B. Applies to any regular full-time employee who has been laid off for lack of work for a period not in excess of one year.
- C. Company shall notify such employee when a vacancy exists in a beginner's job in the Region from which such employee was laid off.
- D. Only those vacancies in classifications in lines of progression, as defined in this Clarification, where layoffs have occurred during the previous 12 months must be offered to such employee. For example, if layoffs have occurred in the Meter Reader line of progression and in the Operating line of progression and a vacancy occurs in a Utility Clerk – Customer Services classification, that vacancy need not be offered.
- E. Company shall send a notice by certified mail and return receipt requested to the last mailing address furnished by the laid off employee.
- F. Priority shall be given to the most senior employee on layoff status. (See LA 87-80.)

- XIII. G. Such employee must respond within seven working days from the date notice is mailed and advise Company of acceptance of re-employment. If employee fails to respond, employee will be considered terminated.**
- H. A decline from an employee shall not jeopardize continued rights under the provisions of this section.**
- I. If employee declines or fails to respond within given time, Company will send notice to the next employee on the laid off list.**
- J. Employees recalled shall report to work within seven calendar days after advising Company of acceptance.**
- K. An employee who fails to report within such time will be considered terminated with no further employment rights under this Section.**
- L. An employee returning to a beginner's job under provisions of this Section must possess the necessary skills, ability and physical qualifications to perform the duties of the position to which the employee is returned.**
- M. Such rehired employee has 19.9 rights.**

PACIFIC GAS AND ELECTRIC COMPANY

August 18, 1986

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

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

As previously discussed, the provisions of Sections 19.1 through 19.13 of the Clerical Agreement are written in reference to the Division organizations and as such are not directly applicable to the General Office Departments. The Company therefore proposes the following addendum to Sections 19.1 through 19.13 of the Clerical Agreement to be applicable to a General Office Division as defined herein. This addendum outlines demotion, displacement, and layoff procedures applicable to the General Office Division organization which preserve the intent of the existing language of these Sections of the Agreement.

**ADDENDUM TO TITLE 19
APPLICABLE TO THE GENERAL OFFICE DIVISION**

For purposes of administering the provisions of Title 19 as it applies to the General Office, the following definitions should be utilized:

The following organizations containing IBEW bargaining unit employees should be considered "Departments" and collectively comprise the "General Office Division:"

1. Vice President and Comptroller's organization
2. Computer Operations Department
3. Reprographics Section
4. Design Drafting Department
5. Mail Services Section
6. Building Maintenance and Operations Section

For purposes of this addendum, the term "headquarters" shall equal "Section" with the following exceptions:

Section 19.14: "headquarters" shall equal "Department"

Section 19.16, first paragraph: "Division" shall equal "Department"

August 18, 1986

The following option is added to the provisions contained in Section 19.3:

The employee may first elect to be demoted to the next lower classification in the reverse order of the normal line of progression on his or her shift prior to exercising Section 19.3, 19.4 or 19.5 rights.

Additionally it is proposed, pursuant to Section 19.12 of the Labor Agreement, that the Fairfield Data Center be considered a separate headquarters for the purposes of administering the provisions of Title 19 of the Labor Agreement.

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,

PACIFIC GAS AND ELECTRIC COMPANY

By /s/ I. W. Bonbright
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. 3, 1986

By /s/ Jack McNally
Business Manager