



LETTER AGREEMENT

No. 92-71-PGE



Pacific Gas and Electric Company
Industrial Relations Department
215 Market Street
San Francisco, California 94106
[415] 973-1125

International Brotherhood of
Electrical Workers, AFL-CIO
Local Union 1245, IBEW
P.O. Box 4790
Walnut Creek, California 94596
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Ronald L. Bailey, Manager or
David J. Bergman, Director and Chief Negotiator

Jack McNally, Business Manager

May 8, 1992

Pacific Gas & Electric Co.
201 Mission Street, Fifteenth Floor
San Francisco, California 94105

Attention: Mr. David Bergman
Director of Industrial Relations

Gentlemen:

As a result of the work done by the Per Diem Joint Study Committee, Company proposes to modify Subsection 301.4(a) of the Agreement pursuant to Section 301.20. The proposed changes are as follows:

<u>Zone</u>	<u>Amount of Per Diem</u>
1. More than 25 but 35 or less	\$ 5.50
2. More than 35 but 45 or less	\$ 9.25
3. More than 45 but 55 or less	\$12.50
4. More than 55 but 65 or less	\$17.25
5. More than 65 [but 75 or less]	\$22.25
6. [More than 75 miles]	[\$42.00]

Employees in Zone 5 have a choice. They can elect to commute and receive \$22.25 or choose to stay overnight and receive \$22.25 plus full reimbursement for lodging. The employee must indicate on the daily time card which choice he/she has made for that day. Per Diem for employees receiving expenses while in Zone 1-4, or while commuting in Zone 5 will be paid on the regular payroll. The lodging and the \$22.25 meal reimbursement for employees in Zone 5 who elect to stay overnight will not be subject to payroll taxes or withholding taxes. (See Note 2 for further clarification on this matter.)

Language in the above paragraph that is within brackets [] is to be deleted from Subsection 301.4(a) while language that is underlined is to be added to Subsection 301.4(a).

This modification to the provisions of Subsection 301.4(a) are being made with the following understandings:

1. This modification of the provisions of Subsection 301.4(a) is tentative. Final acceptance or rejection will be subject to a favorable response from Union's affected membership.
2. Company may establish a Local Order purchase order with one or more motels in an area. An employee may elect to lodge where such a purchase order has been established, in which event the cost shall be paid by Company without the employee having to submit an Expense Reimbursement form. If the employee elects to utilize other facilities, he/she must pay the associated cost and submit an Expense Reimbursement form. The cost of such other facility shall be reasonable. The determination of the reasonableness of the cost of such facility shall be subject to review in a manner agreeable to Company and Union. If agreement cannot be reached on the acceptability of the cost of the facility, Union may address the issue in the grievance procedure.
3. Facilities at which Company establishes a Local Order purchase order shall be of reasonable quality. The determination of the reasonableness of the facility shall be subject to review in a manner agreeable to Company and Union. If agreement cannot be reached on the acceptability of a facility, Union may address the issue in the grievance procedure.

At a future date, Company and Union may adopt some method of identifying acceptable facilities, such as the California Automobile Association rating system or the Best Western rating system.

4. Motels at which Company established a Local Order purchase order shall be located not more than five (5) road miles and/or fifteen (15) minutes travel time from the employees regular headquarters, if such headquarters is located in an incorporated area. If the headquarters is in an unincorporated area, both board and lodging facilities must be located not more than 15 road miles of the headquarters provided that such board and lodging are within two road miles of each other. See note (5) below for an exception to this provision.
5. In the city/county of San Francisco, motels at which Company established a Local Order purchase order shall be located not more than fifteen (15) road miles and/or thirty (30) minutes travel time from the employees headquarters. Further, such facilities shall not be located in a city or town that requires crossing a toll bridge to reach. (Cannot cross Bay Bridge, Golden Gate Bridge, San Mateo Bridge, etc.)
6. Motels at which Company establishes a Local Order purchase order shall provide, at minimum, the following conveniences:
 - a) In-room telephone (does not include charges associated with use of the in-room phone).
 - b) Cable television (does not include charges for use of pay-per-view channels).

7. Company cannot require two or more employees to share a facility. However, two or more employees may elect to share a facility. In the event two or more employees elect to share a facility, and all do not incur an expense, it is understood that only those who incur an expense are entitled to a reimbursement.
8. Employees who elect to utilize a travel trailer or motor home for lodging may do so. In such cases, employees may utilize the services of a camp ground or similar facility in the vicinity of the job headquarters. Company may establish Local Order purchase orders at such facilities in the same manner as described above for motels. In the event no Local Order purchase order is established at the facility selected by the employee, such employee will be required to submit receipts on an Expense Reimbursement Form. Employees who utilize such facilities shall be entitled to the same conveniences as are provided to employees electing to utilize a motel (such as electric, water, telephone, cable television hookup, etc.)
9. Where it is reasonably possible to do so, and where the associated costs would be the same or less as for a motel, an employee (or several employees) may elect to rent an apartment on a month-to-month basis. Agreement with local management must be reached on a case-by-case basis, however, prior to such rental. There must be a reasonable expectation that the involved employee(s) will remain at the headquarters for a period of time sufficient to make such rental economically feasible.
10. An employee entitled to receive per diem based on Zone 5 need not either commute on consecutive days or stay over night on consecutive days. Such employee may elect to commute on one or more days during a work week or may elect to stay over night on one or more nights during a work week.
11. An employee entitled to receive per diem based on Zone 5 is entitled to lodging during a work week the same number of times as the number of work days and non-work days worked during the work week. The nights of lodging are not required to be on the same days as the work days and non-work days. For example, an employee who works a regular 4 day/10 hour Monday through Thursday schedule may elect to receive lodging reimbursement for Sunday-Monday-Tuesday-Wednesday nights or for Monday-Tuesday-Wednesday-Thursday nights. If such employee was required to work overtime on Sunday in this example, such employee may elect to receive lodging reimbursement for Saturday through Wednesday nights or for Sunday through Thursday nights. If such employee were required to work overtime on Friday in this example, such employee may elect to receive lodging reimbursement for Sunday through Thursday nights or for Monday through Friday nights.

Upon execution of this Letter Agreement, the GC Per Diem Joint Study Steering Committee and Working Committee will reconvene and will establish a schedule and procedure for presenting the proposed changes to the affected field employees of ENCON who are members of the bargaining unit. Company will arrange for a meeting between a Subcommittee of the Joint Study Committee to meet with affected employees during regular work hours at a time and place to be determined by the Joint Study Committee members. The Subcommittee will review the proposed changes to Subsection 301.4(a) and the notes of understanding above. Upon completion of discussion of the proposed changes, all non-bargaining unit persons present will depart from the meeting. At that time, the bargaining unit representative from the Subcommittee will solicit information from the remaining bargaining unit employees for the

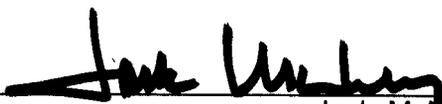
purpose of determining acceptance or rejection of the proposed changes.

Information collected by the various Subcommittees will be forwarded to the Local 1245 representatives on the Steering Committee. When all available bargaining unit employees have been given the opportunity to provide input on this matter, the Local 1245 Steering Committee representatives along with the Local 1245 Working Committee representatives will review and announce the results.

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 Union.

Very truly yours,

LOCAL UNION 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

By:  _____
Jack McNally
Business Manager

The Company is in accord with the foregoing and agrees thereto.

PACIFIC GAS & ELECTRIC COMPANY

5-27-, 1992

By:  _____
David J. Bergman
Director and Chief Negotiator