



LETTER AGREEMENT NO. 97-94-PGE

IBEW



PACIFIC GAS AND ELECTRIC COMPANY
INDUSTRIAL RELATIONS DEPARTMENT
375 NORTH WIGET LANE, SUITE 150
WALNUT CREEK, CALIFORNIA 94598
(510) 746-4282

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W
P.O. BOX 4790
WALNUT CREEK, CALIFORNIA 94596
(510) 933-6060

MEL BRADLEY, MANAGER OR
DAVID J. BERGMAN, CHIEF NEGOTIATOR

JACK McNALLY, BUSINESS MANAGER

June 26, 1997

Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 4790
Walnut Creek, CA 94598

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

Company proposes the following modifications to the health care plan enrollment provisions contained in the benefit plans as outlined in the Medical, Dental and Vision Benefit Agreement to comply with the Health Insurance Portability and Accountability Act of 1996 (HIPPA). This Letter Agreement cancels and supersedes the provisions contained in letter agreements R1-93-73 and R4-93-122.

Under this proposal, active bargaining unit employees will be given the opportunity to reenroll if they previously declined coverage or to change their health care plan election outside of an open enrollment period if one of the family status changes outlined below occurs:

- marriage, divorce or final legal separation
- birth, adoption or legal guardianship appointment of a child
- death of a spouse or dependent child
- child reaches the plan's age limit, gets married or enters the military
- dependent child between the ages of 19 and 23 regains eligibility
- change in spouse's employment that results in a gain or loss of health coverage
- a change to or from full-time or part-time employment by the employee or the employee's spouse
- an unpaid leave of absence by the employee or the employee's spouse
- if the employee retires

The time frame for reenrollment or to effect changes in the PG&E health care plans as a result of any of the above-listed occurrences will be within 31 days of the qualifying event (60 days for newborns). Upon request, employees must provide proof of a qualifying event. Coverage will become effective the first of the month following the event, provided the Company is notified by the end of the month in which the event has occurred or the first of the month following notification to the Benefits department.

Except for the occurrences referenced above, to obtain medical coverage during a non-open enrollment period, employees may request late enrollment in the appropriate Prudential health care plan by submitting evidence of good health. Prudential will make the final determination, and, if approved, coverage will be effective the first of the month following approval. If an employee's request for late enrollment is not approved, he/she must wait for the next open enrollment period to obtain medical coverage.

Employees who have declined dental and/or vision care benefits will have to wait for an open enrollment period to reenroll unless a family status change occurs.

The effective date of these changes will be January 1, 1998. The modifications to the Medical, Dental and Vision Benefit Agreement will be implemented as part of the open enrollment process this year.

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

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: 
Chief Negotiator

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

Aug 9, 1997 By: 
Business Manager