

LETTER AGREEMENT NO. 98-40 -PGE



PACIFIC GAS AND ELECTRIC COMPANY INDUSTRIAL RELATIONS DEPARTMENT 2850 SHADELANDS DRIVE, SUITE 100 WALNUT CREEK, CALIFORNIA 94598 (510) 974-4282 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

May 12, 1998

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

Dear Mr. McNally:

Pursuant to 305.5(a)of the Physical Agreement, Company proposes to change the Promotion-Demotion Area for General Construction, Gas Construction Department which is geographically located in Peninsula Division's boundaries. This change would align these headquarters to correspond with the current Company OM&C designation of Area 1 and would be consistent with the Promotion-Demotion areas General Construction has utilized since 1988. Current Peninsula Division boundaries incorporate all of San Mateo County.

The Company proposes the following changes:

GC Department

Current Promotion-Demotion Area Proposed Promotion-Demotion Area

Gas Construction

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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

Chief Negotiato

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

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Business Manager