



**LETTER AGREEMENT  
NO. 98-48-PGE**

**IBEW**



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 27, 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

Gentlemen:

In conjunction with the impending sale of the Company's fossil and geothermal generation facilities, voluntary severance (VSI) was offered to impacted IBEW physical employees located at the Moss Landing and Morro Bay Power Plants to minimize the impact of the anticipated displacement and demotion process that may occur later in the year. Due to business and operational needs and the employees' flexibility on their effective resignation date, the Company proposes to offer delayed severance dates for two employees:

- Janet Peters, First Plant Clerk,
- Kathleen Morasca, First Plant Clerk

In selecting employees for the delayed voluntary severance program, the following criteria was used:

- the employees have elected to participate in the delayed voluntary severance program;
- there still is a business/operational need for the employees' continued employment, as determined solely by PG&E;
- the employees are flexible in their effective resignation dates and agree to remain with PG&E for an extended period of time, and to accept the resignation date selected solely by PG&E.

As with employees who participate in the Voluntary Severance Incentive (VSI) Program, eligible employees who elect to participate in the delayed VSI program will not be able to revoke their decision to participate in the VSI Program.

The resignation date for these employees will be May 29, 1998. For the purposes of the delayed VSI benefit calculation, the extension period will be counted as additional credited service.

This Letter Agreement is specific to the business situation described above and is non-precedential.

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.

Sept 11, 1998 By:   
Business Manager