

LETTER AGREEMENT NO. 98-57-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

June 23, 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:

The Company announced that they were selling certain assets in the Oakdale area to the Modesto Irrigation District (MID). In an effort to accommodate employees choice and balance the Company's business needs the parties agreed to Letter Agreement 97-91 signed October 31, 1997.

At the June 4, 1998, CPUC meeting the commission denied the Company's application for approval of an agreement to sell a portion of its distribution and transmission system to MID. The Company therefore proposes to cancel Letter Agreement 97-19.

Of the employees listed in Letter Agreement 97-91, Mike Hollander is the only one in a different position. The Company further proposes that Mr. Hollander maintain his "A" Rights to return to the Oakdale headquarters as per Letter Agreement 97-91.

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 Neootiator

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

1998

Business Manager