

LETTER AGREEMENT NO. 98-80-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

21 September 1998

Pacific Gas and Electric Company Industrial Relations Department 2850 Shadelands Drive, Suite 100 Walnut Creek, California 94598

Attention:

Mr. David J. Bergman

Director and Chief Negotiator

Gentlemen:

Based upon Company's letter of September 18, 1998 (copy attached) in which Company related that an interest check demonstrated no Gas System Maintenance/Gas System Operations clerical employees at their Walnut Creek headquarters wish to receive Application I of the Voluntary Severance offering, Union agrees to waive Application I for such employees at this time.

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,

IBEW LOCAL UNION 1245, INTERNATIONAL BROTHEROOD OF ELECTRICAL WORKERS, AFL-CIO

Business Manager

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PACIFIC GAS AND ELECTRIC COMPANY

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Director and Chief Negotiator

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September 18, 1998

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

Attention: Mr. Darrel Mitchell, Sr. Asst. Business Manager

Dear Mr. Mitchell:

It has come to our attention that the Company has misunderstood the Union's position regarding Letter Agreement 93-42 and the use of interest checks prior to a formal VSI offering (Application I).

The Company has used interest checks in most of the small scale displacements since LA 93-42 was signed. If no employees expressed interest in voluntary severance, the Company has proceeded to the regular displacement process outlined in Titles 19 and 206.

In the future, the Company will discuss each proposed use of the interest check letter with the Union prior to its use.

The Company has recently distributed an interest check to clerical employees in California Gas Transmission's Walnut Creek headquarters. All of the employees have returned the interest check stating that they are not interested in voluntary severance. As such, the Company requests the Union's concurrence to proceed to the regular provisions of Title 19 in this specific case without first providing the impacted employees with a formal voluntary severance offer for their consideration.

Thank you for your consideration.

Sincerely,

David J. Bergman

Director and Chief Negotiator

cc: Dorothy Fortier