



LETTER AGREEMENT NO. 99-50-PGE



PACIFIC GAS AND ELECTRIC COMPANY
INDUSTRIAL RELATIONS DEPARTMENT
2850 SHADELANDS DRIVE, SUITE 100
WALNUT CREEK, CALIFORNIA 94598
(925) 974-4104

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W.
P.O. BOX 4790
WALNUT CREEK, CALIFORNIA 94596
925-933-6060

RICK R. DOERING, MANAGER
AND CHIEF NEGOTIATOR

JACK McNALLY, BUSINESS MANAGER

June 28, 1999

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:

In January 1999, the NLRB certified IBEW Local 1245 to represent clerical employees in the DCS Engineering & Planning Department. Since then, the Company and Union have met on several occasions to discuss the movement of these employees into the bargaining unit. This letter confirms the Company's understanding of the agreement reached.

1. Classification

The following eight incumbent employees will be reclassified to E&P Operating Clerk (PIO), classification code 2703, on the date this agreement is signed by both parties.

Tawnya Carter
MaryAnn Dennehy
Beatriz Foronda
Richard Kozakiewicz

Maripaz Lee
Purificacion Mojica
Patricia Sadaya
Jeanne Walsh

These employees will be considered to be in the Operating Line of Progression and the E&P Operating Clerk will be considered as a "next lower" classification to Sr. Operating Clerk 2789 (Steno/Typist) (2654/2655) for bidding purposes. The employees will be considered to be in the Engineering & Planning Department in the San Francisco General Office. The E&P Operating Clerk will not be included in the reverse line of progression for Sr. Operating Clerk and will not be subject to displacement by employees in the Sr. Operating Clerk I or II classifications or Operating Clerk classification. Similarly, employees in the E&P Operating Clerk classification will not be able to displace junior Operating Clerks.

The eight employees above will not have their positions downgraded as a result of the Clerical Job Evaluation System as long as they remain in their current positions.

Future clerical vacancies in the Engineering & Planning Department, including one current vacancy, will be filled in the normal Operating Line of Progression, with the actual classification determined by the agreed to Clerical Job Evaluation System.

2. Wages

The E&P Operating Clerk (2703) will have the same wage rate as Operating Clerk (2662). The eight employees listed above will retain their current wage rate until January 1, 2000, when they will receive the negotiated general wage increase (if applicable). Upon application of any GWI, they will be slotted into the first step of the Operating Clerk wage progression which is higher than the employee's present wage rate.

If this agreement is ratified by the employees by July 15, 1999, the eight employees listed above will receive a one time \$500 payment since Subsection 13.3(a) of the Clerical Agreement is not applicable.

In accordance with the 1999 Performance Incentive Plan (PIP) Guidelines, these employees will not participate in the 1999 Performance Incentive Plan.

3. Benefits

The eight employees listed above will continue to participate in the Flex Benefit Plan through calendar year 1999. Their current selections for medical insurance, dental insurance, vision insurance, participation in the health care and/or dependent care reimbursement programs, life insurance, flex days, and distribution of unused flex dollars will remain in effect through this year. They will participate in the bargaining unit open enrollment period in the Fall 1999 to determine their coverage in calendar year 2000.

The eight employees listed above will also be treated as A&T employees through December 31, 1999 in the application of all other benefit programs, including vacation and participation in the Savings Fund Plan, Pension Plan, and Severance Plan.

4. Hours

The eight employees listed above will continue to work their current schedules through December 31, 1999. Effective January 1, 2000, work schedules will be determined by each employee's supervisor. Any alternate work schedules will be agreed to via a local letter of agreement.

5. Bidding Unit

These Engineering & Planning clerical positions will be included in Bidding Unit 18. The Engineering & Planning Department will be added to the list of departments listed under Bidding Unit 18.

6. Demotion Unit

These Engineering & Planning clerical positions will be included in Demotion Unit 11. The Engineering & Planning Department will be added to the list of departments listed under Demotion Unit 11.

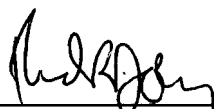
7. Testing

The eight employees listed above will not be required to pass the Clerical Test Battery. Additionally, these eight employees will not be subject to the typing and steno requirements while they remain in the San Francisco General Office Engineering & Planning Department.

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.

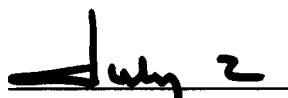
Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: 
Rick R. Doering, Manager and
Chief Negotiator

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

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

 1999

By: 
Jack McNally
Business Manager