

## LETTER AGREEMENT NO. R1-04-39-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 2547 VACAVILLE, CALIFORNIA 95696 (707) 452-2700 PERRY ZIMMERMAN, BUSINESS MANAGER

STEPHEN A. RAYBURN, DIRECTOR AND CHIEF NEGOTIATOR

September 20, 2004

Mr. Perry Zimmerman, Business Manager Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO P.O. Box 2547 Vacaville, CA 95696

Dear Mr. Zimmerman:

At the present time, Pismo Beach is a "Satellite Facility" in the Materials Department, primarily handling materials for the Utility Operations line of business.

For the past year, Diablo Canyon Power Plant (DCPP) materials and food shipments have been made to the Pismo Beach Facility where it is searched, loaded and transported to the DCPP under Security Department oversight. This change was made necessary by additional security measures due to the 9/11 tragedy. Materials employees who report for work at DCPP have been used to perform this work in Pismo due to the security requirements of the employees needed to perform this work. They report to DCPP, then travel to Pismo to perform this work, and then travel back to DCPP to end their workday.

As it now appears the arrangement to search and process DCPP materials and food outside of DCPP plant site will be a regular requirement, the Company proposes the following:

- That a DCPP "Remote Service Point" be established as a separate entity from the present "Satellite Facility" at Pismo Beach. Employees assigned to the Remote Service Point will be considered as being headquartered at DCPP for the purposes of Title 205 and 206 as well as for pre-arranged and emergency overtime assignments.
- 2) The initial staffing of the Remote Service Point will be at least one Materials Leadperson. Initial staffing will be accomplished by assigning Ms. Rhonda Norelius, Materials Leadperson, from the DCPP materials organization to the Pismo Beach facility. Ms. Norelius has been the Materials Leadperson who has been involved in establishing and running the Pismo Beach facility for the past year. Additional staffing or subsequent vacancies will also be filled by the most senior volunteer from DCPP, and if there are no volunteers, through the normal Title 205 process.
- 3) Employees will begin and end their normal work hours at the Remote Service Point.
- 4) The employee(s) assigned to the Remote Service Point will require Unescorted Security Access to DCPP since they may be assigned, on occasion, to report to DCPP for work. If they are assigned to report to DCPP, the normal contract provisions for travel time and expenses will be followed as appropriate.

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Either party may cancel this agreement by providing the other party with a 30-day written notice of cancellation.

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 Company.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

Bv: Stephen A. Rayburn

Business Manager

Director 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

13, . 2004

By: <u>Perry Zimmerman</u>