

LETTER AGREEMENT NO. R1-06-54-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 TOM DALZELL, BUSINESS MANAGER

STEPHEN A. RAYBURN, DIRECTOR AND CHIEF NEGOTIATOR

November 14, 2006

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

Dear Mr. Dalzell:

Company proposes modify Letter Agreement No. 06-39, which established Service Units. Initially, the Company planned on establishing six Electric T&D Units for a six-month trial period. At the end of the trial period, the parties were to review the results of the trial and the Company and Union were to determine whether to continue, expand or abandon the use of the Units. During the initial staffing for the trial, a concern has been raised on using Section 205.3 to temporarily fill the positions. Company proposes to fill the positions in accordance with Section 205.7 of the Agreement and not fill the positions on a temporary basis.

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

B√ Stephen A. Rayburn Director and Chief Negotiato

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

November 14 . 2006

Bv: Tom Dalzell Business Manager