

PACIFIC GAS AND ELECTRIC COMPANY LABOR RELATIONS DEPARTMENT MAIL CODE N2Z P. O. BOX 770000 SAN FRANCISCO, CALIFORNIA 94105 (415) 973-4310 STEPHEN RAYBURN DIRECTOR AND CHIEF NEGOTIATOR 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

IBEW

July 19, 2007

LETTER AGREEMENT

NO. R1-07-18-PGE

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:

The Company proposes to clarify the wage structure for the Apprentice System Operator Classification. The classification was established in Letter Agreement 05-21 and was further modified in Letter Agreement 06-27. Pursuant to Section 204.4 of the Agreement, the Company proposes the following adjustment to Exhibit X, Wage Schedule. The adjustment would reduce the Apprentice System Operator classification to five steps with automatic progression to System Operator after completion of phase 5 requirements as detailed in Letter Agreement 06-27. This change only clarifies what has been agreed to in the previous agreements. It is further proposed that 1823 Assistant System Operators have wage retention when they bid into the 1822 Apprentice System Operator, if they are at the top step of that classification. Currently a top step Assistant Operator is at \$996.80/24.92 for 2007 and \$1,034.40/25.86 for 2008.

		2007		2008	
1822	Apprentice System Operator				
	Phase 1	969.60	24.24	1,006.00	25.15
	Phase 2	1,016.40	25.41	1,054.80	26.37
	Phase 3	1,062.80	26.57	1,102.80	27.57
	Phase 4	1,156.80	28.92	1,200.40	30.01
	Phase 5	1,250.00	31.25	1,297.20	32.43
1805	System Operator				
	Start	1,356.80	33.92	1,408.00	35.20

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. Raypurn Director and Chief Negotiator

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

By:

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

**November 29** . 2007

Tom Dalzell Business Manager

