

NO. R1-07-58-PGE



PACIFIC GAS AND ELECTRIC COMPANY LABOR RELATIONS DEPARTMENT MAIL CODE N2Z P. O. BOX 770000 SAN FRANCISCO, CA 94177 (415) 973-4310 STEPHEN A. 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

TOM DALZELL, BUSINESS MANAGER

December 4, 2007

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:

In 2006, Company made a decision to centralize all telecommunications assets under ISTS. Gas Transmission Technicians (GTT) in Gas System Maintenance and Technical Services performed work on some of these assets. It was determined that three GTT's in the Southern area and two in the Central area were performing work on a regular basis on telecommunication assets. Three GTT's performed work almost exclusively on Gas Transmission equipment and not telecommunications equipment.

In Letter Agreement No. 07-36-PGE, the parties agreed to designate the Gas Transmission Technicians as present incumbent only (PIO). The telecommunication work performed by these employees will be performed by Telecommunication Technicians.

The Company proposes the following transition plan in accordance with Section 206.12 of the Agreement. The transition plan is to allow the existing Gas Transmission Technicians to stay as Gas Transmission Technician (PIO), move to a Telecommunication Technician if they are currently reporting to ISTS, or to elect severance.

The following employees are currently reporting to ISTS: (options: move to Telecommunication Technician or Severance)

Richard Mayes - Hinkley
Joe Pittman - Hinkley
Manny Guzman - Kettleman
Jim Andersen - McDonald Island
Carey Mitosinka - Tracy/Los Medanos

The following employees are reporting to Gas Transmission: (options: GTT - PIO or Severance)

Gary Bodoh - Willows John Gustafson - Hinkley Frank Pichler - McDonald Island

Employees will have until March 31, 2008 to make their decision. Severance may be paid out as provided in Exhibit XIV of the Agreement or as provided in Letter Agreement 06-18.

The agreement also settles all outstanding grievances related to the issue of work jurisdiction between ISTS employees and CGT employees.

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

Stephen A. Rayburn
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

December 7 , 2007 By:

Tom Dalzell
Business Manager