PACIFIC GAS AND ELECTRIC COMPANY

PG ■E ____ 245 MARKET STREET · SAN FRANCISCO, CALIFORNIA 94106 · (415) 781-4211 · TWX 910-372-6587

October 6, 1982

Local Union No. 1245 International Brotherhood of Electrical Workers, AFL-CIO P. O. Box 4790 Walnut Creek, California 94596

Attention: Mr. Jack K. McNally, Business Manager

Gentlemen:

At the request of Local 1245, IBEW, the issue of an appropriate Clerical Job Evaluation System for certain classifications covered in the Clerical Agreement has been referred to arbitration in accordance with the settlement of the 1979/1980 negotiations and has been assigned Case No. 108.

Company and Union have agreed that it is in the best interests of the employees involved, and the Company and Union, that a further effort be made to reach a mutual agreement on this matter through the bargaining process. It is, therefore, agreed that the arbitration procedure will be stayed under the following conditions:

1. Consultant

The Company and Union will jointly select and pay the consultation fees of a consultant, who will guide and make recommendations to the Committees representing both parties and attempt to establish a mutually acceptable Clerical Job Evaluation System for PGandE employees in classifications listed in Item 3 below.

2. Validation

Before implementation of any proposed Job Evaluation System, such system will be "validated" by being tested against a substantial number of benchmark jobs to the satisfaction of both parties.

3. Guidelines

The Committees and the consultant shall be guided by the following principles:

• The Job Evaluation System will apply to the following clerical classifications:

- a. Senior II level clerical jobs.
- b. Senior I level clerical jobs.
- c. Service Representatives, Operating Clerks, and Accounting Clerks.
- d. Utility Clerks (including Clerk D).
- e. Any other classifications in the clerical bargaining unit listed in Exhibit F which have wage progressions which are identical to those listed in a. through d. above.
- f. Any other office or clerical classification to which the Company and Union mutually agree.
- The system be easy to use and understand.
- Information regarding the system be available to all parties, including individual employees.
- All parties be encouraged to participate including employees whose jobs are subject to evaluation.
- Job evaluations are to be based on the job and not on the employee who holds the job.
- The system meet equal employment requirements.
- There be an appeals process.

4. Employee Placement

If in the application of the agreed-to Job Evaluation System it is determined that a particular position is to be reclassified downward, the incumbent employee will be red-circled at his/her current rate of pay and be subject to the conditions outlined in Paragraphs A or B below. However, if in the Department and office (Section in V.P. & Comptroller) where the inappropriately classified position has been identified, there are other equivalent positions, the red-circled employee may exchange duties with the least senior employee holding that classification. The junior employee would then assume the red-circled status and be subject to the conditions of Paragraphs A and B below.

After implementation of an agreed-to Job Evaluation System, employees who, as a result of job reevaluation, are assigned a lower classification, will be red-circled at their current rate of pay under the following conditions:

A. Customer Services and Operating Lines of Progression

Once an employee has been red-circled at a rate of pay, he or she will be held at that rate until reassigned to another classification equivalent to or higher than the current rate of pay within the same headquarters or he or she vacates the specific job for any other reason. If, during the time an employee is red-circled and there are prebiddable vacancies within a commutable distance of the present headquarters (30 miles or 45 minutes travel time under ordinary conditions), and the red-circled employee elects not to bid or turns down a job award more than once, such employee will be held at the present rate of pay (excluding general wage increases) until such time as the rate established for their newly assigned classification equals or exceeds the red-circled rate. If two or more red-circled employees turn down the same job award, only the junior employee will be charged with a turndown. red-circled employee who prebids but is not the successful bidder to an equivalent classification within the area of commutable headquarters will continue to maintain the current rate plus future general wage increases.

B. Accounting Line of Progression

The conditions set forth in A above will apply to red-circled employees in the Comptroller's Department with the understanding that, if a red-circled employee bids to another section to maintain his or her current rate of pay, such employee will have at least six months to become fully qualified. In the event the red-circled employee desires to bid back to his or her former section, the employee will not be subject to the six-month bar established for this Line of Progression by the letter agreement dated April 21, 1982 (82-4-PGE).

5. Arbitration

At any time that either party believes that continuing negotiations will be fruitless, it may, upon written notice to the other party, again start the arbitration proceedings at the point where they stood at the time of the execution of this agreement. However, should the issue be referred back to arbitration, the arbitration date shall be set no earlier than 60 days following an exchange of all relevant information on both proposed systems.

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 Company.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

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Manager of Industrial Relations

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

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

1982

Business Manager