PACIFIC GAS AND ELECTRIC COMPANY

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

January 28, 1986

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

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

The Company proposes, pursuant to Subsection 10.7(b) of the Clerical Agreement, to change the hours of the swing shift employees in the Receivables Accounting Center from various times between 1:00 p.m. and 9:30 p.m. (Letter Agreement No. R1-83-134-PGE) to flextime swing shift "B" of 12:00 noon to 9:00 p.m. The Company also proposes to amend the Receivables Accounting Center (formerly Payment Processing Center) Flextime Guidelines to establish core time from 5:00 p.m. to 7:30 p.m. for all swing shift "B" employees.

The work load in the Receivables Accounting Center has changed over the past several months so that it is no longer necessary to have the second shift work until 9:30 p.m. or later. A recently conducted survey showed that the essential work for the second shift is completed by 7:30 p.m.

The Company also shall, in accordance with the established coverage requirements as outlined in the existing Flextime Guidelines, allow employees to accumulate extra time to rotate having short days on Fridays, in the same manner as is provided for day employees, if the number of employees on the shift is increased to 12 or more. Local Union No. 1245, IBEW

It is our understanding that this proposal has been discussed with Ms. Dorothy Fortier, Union Business Representative.

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.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

By 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

Eeb 18, 1986

By Business Manager