PACIFIC GAS AND ELECTRIC COMPANY

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

February 11, 1986

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

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

Pursuant to Sections 205.19 and 206.12 of the Physical Agreement, Company proposes to utilize Section 206.17 for the relocation of two System Operator positions in Shasta Division due to a shift in work load. The following employees will be displaced:

- J. Navarro, System Operator No. 2, Cottonwood Substation, to System Operator No. 3, Round Mountain Substation
- T. Perales, System Operator No. 2 (Unassigned), Cottonwood Substation to System Operator No. 3, Round Mountain Substation

The displaced employees are encouraged to note the Labor Agreement Interpretation contained on page 198 of the current Physical Agreement. Specifically, that notice of intent to move must be filed within 90 days following transfer in order to qualify for the provisions of Section 206.8. For the purposes of this relocation, there is no date by which the affected employees must move their residence in order to qualify for reimbursement. The displaced employees have Section 206.9 rights.

If you 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

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

, 1986