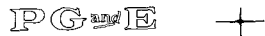


PACIFIC GAS AND ELECTRIC COMPANY



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

May 1, 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 Section 206.12 of the Physical Agreement, to temporarily place Mr. Ed Twedt into the position of Measurement and Control Mechanic in the Sacramento headquarters of Sacramento Valley Region. The position is being vacated by a temporary upgrade of J. R. Robertson into Mr. Twedt's position of Sacramento Division Gas Transmission and Regulation Supervisor.

On January 22, 1986, Mr. Twedt was taken to Kaiser Emergency for a possible heart attack. Based on the advice of his physician, Mr. Twedt has elected not to return to his supervisory position. Therefore, the Company proposes to temporarily place Mr. Twedt in this position for a period not to exceed six months.

This proposal has been discussed with Mr. Wayne Greer, 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 *W. Bonbright*
Manager of Industrial Relations

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

May 30, 1986

By *Jack McNally*
Business Manager