

**Pacific Gas and Electric Company**215 Market Street  
San Francisco, CA 94106  
415/972-7000

February 13, 1989

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:

Because of an anticipated heavy workload in 1989, Company proposes to offer employees of the General Construction Department a one-time opportunity to sell all or a portion of their deferred vacation. Due in part to operational requirements over the last several years, many employees have been allowed to defer more vacation than is allowed under the provisions of Subsection 111.11(a) of the Agreement.

If employees elect to sell a portion, it must be no less than the amount of vacation which is in excess of Subsection 111.11(a). Payment to employees will be made within 30 days of the cut-off date for making the election to sell. The amount paid shall be based on the employee's 1989 rate of pay in his regular classification. Employees may elect to have the payment included with their regular paycheck or issued by separate check.

Those employees who do not opt for the buy-out will be required to take the amount of vacation in excess of the foregoing subsection by December 31, 1989. Employees who do not schedule to use vacation that is in excess of the allowable amount to be deferred will be scheduled by the company for vacation in December, or earlier if necessary, of the current year in order to use all days in excess of the amount allowed to be deferred.

Employees may defer vacation in consecutive years provided that in no event shall the amount of vacation deferred exceed more than one year's annual vacation allowance. Employees who forego any part of their vacation at Company request, will receive pay for time worked and, in addition, will receive pay for the vacation pay allowance.

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Beginning this year, and continuing, employees must request deferral of any vacation prior to December 1. Company reserves the right to deny the request, in which case, vacation must be taken by year-end.

This proposal will help Company come into compliance with Subsection 111.11(a) of the Agreement.

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 AND ELECTRIC COMPANY

By Richard B. Buehl  
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

Feb 15, 1989

By Jack McHenry  
Business Manager

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