

LETTER AGREEMENT No.



R1-91-115-PGE

Pacific Gas and Electric Company Industrial Relations Department 215 Market Street San Francisco, California 94106 [415] 973-1125 International Brotherhood of Electrical Workers, AFL-CIO Local Union 1245, IBEW P.O. Box 4790 Walnut Creek, California 94596 [415] 933-6060

Ronald L. Bailey, Manager or David J. Bergman, Director and Chief Negotiator

Jack McNally, Business Manager

September 9, 1991

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:

Mission Trail Region proposes to implement a "Continuous Improvement through Employee Involvement (CI/EI)" program throughout all divisions and departments, excluding Coast Division, within the region. This CI/EI is an effort to increasingly involve employees in work related activities and decisions, improve quality of work life, promote more effective team work and increase productivity at local work groups throughout the region.

To clarify our understanding and mutual expectations in the program, we propose the following conditions:

- 1. A CI/EI Process Steering Committee will be created to develop the goals and policies of this program. This Steering Committee will be comprised of the Mission Trail Region Vice President and the IBEW Business Manager or their designee. The Steering Committee will meet as often as needed but at least once a year.
- 2. In addition to the Steering Committee, the CI/EI shall have a division/department Advisory Committee to consist of representatives from the Union and the Company's management. The size of the Committee, as well as the frequency of their meetings, shall be determined by the Committee.
- 3. Several CI/EI Teams will be created at operating locations throughout the region. The method of selecting team members will be determined at the local level. Team leaders will be selected by team members. Subject to the restriction No. 4, these teams will have authority to identify, discuss, and investigate issues and make recommendations on possible improvements. Teams may be established to address specific issues and dissolved upon completion of activities related to the issues. The CI/EI Teams will be given the necessary paid time away from their regularly assigned duties for purposes of participating in CI/EI Team activities. The Union's Business Representative or designee may monitor the teams as appropriate.

- 4. The following issues are beyond the appropriate scope of issues which CI/EI Teams may discuss and submit recommendations:
 - Issues subject to collective bargaining
 - Disciplinary issues
 - Interpersonal conflicts and/or personality conflicts
- 5. CI/EI Teams may discuss some local working conditions normally subject to local agreement process only after receiving permission from the appropriate Division/Region Department Manager and the Union Business Representative who has authority to enter into agreements on such working conditions. The CI/EI Team, after being given permission to discuss such issues, must then submit any proposed recommendations or solutions to the appropriate authorizing representatives for their approval prior to implemen tation of the revised working conditions.
- 6. There will be no demotions or lay-offs of regular employees as a direct result of the CI/EI in Mission Trail Region. In the event there is an impact on the workload as a direct result of the CI/EI that is not handled through attrition, the parties will meet to discuss avenues of addressing such impact.
- 7. The Company will provide training to team members, team leaders, and facilitators in the CI/EI.
- 8. This agreement may be cancelled upon 30 days written notice to the other of such cancellation.

If you are in accord with the foregoing and agree thereto, please so indicate on the space provided below and return one executed copy of this letter to the Company.

Very truly yours,

PACIFIC GAS AND ELECTRIC COMPANY

By Director and Chief Negotiator

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

Ost 1, 1991

Business Manager