



# LETTER AGREEMENT NO. R1-95-51-PGE

**IBEW**



PACIFIC GAS AND ELECTRIC COMPANY  
INDUSTRIAL RELATIONS DEPARTMENT  
201 MISSION STREET, ROOM 1513A  
MAIL CODE P15A  
P.O. BOX 770000  
SAN FRANCISCO, CALIFORNIA 94177  
(415) 973-3425

INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS, AFL-CIO  
LOCAL UNION 1245, I.B.E.W  
P.O. BOX 4790  
WALNUT CREEK, CALIFORNIA 94596  
(510) 933-6060

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MEL BRADLEY, MANAGER OR  
DAVID J. BERGMAN, DIRECTOR AND CHIEF NEGOTIATOR

JACK MCNALLY, BUSINESS MANAGER

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June 16, 1995

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

Dear Mr. McNally:

In January 1995, the Company began the piloted use of procurement cards for local purchases in a limited number of locations as specified in Letter Agreement R2-94-37.

Company is now proposing the use of procurement cards system-wide for the majority of local purchases that are currently done with Local Orders. Procurement cards will primarily be used for the purchase of materials and overtime meals.

The use of procurement cards will allow the Company to continue to locally procure low value items once the SAP business system is implemented later this year. The Company believes that procurement cards offer the following benefits to employees and the Company:

1. To simplify our purchasing process for minor materials, resulting in reduced procurement costs.
2. To lower our transaction processing costs by reducing the number of invoices that need to be processed individually.
3. To provide better information on local purchases, allowing us to direct these local purchases to fewer suppliers and allowing us to leverage our purchasing power to negotiate better discounts on retail prices.

Employees in selected classifications throughout the Company will be issued procurement cards for their use in making necessary purchases. Employees using a procurement card will be required to maintain the receipts for their purchases and submit them at the end of each billing cycle (currently a monthly cycle, ending on the 18th of every month). Within three days of the actual date of purchase, the supplier receives payment for the purchase from the card-issuing bank.

The Company is billed once a month from the card-issuing bank for all transactions posted during the billing cycle.

Attached is a cardholder's application form that each employee who is issued a procurement card will be required to sign.

This proposal may be canceled by either party by providing the other party 60 days written notice.

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

Very truly yours,

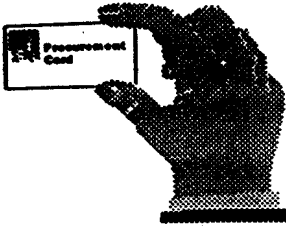
PACIFIC GAS & ELECTRIC COMPANY

By:   
Director and Chief Negotiator

The Union is in accord with the foregoing and agrees thereto as of the date hereof.

June 20, 1995

By:   
Business Manager



**PROCUREMENT CARD  
CARDHOLDER ACCOUNT FORM**  
Company: Pacific Gas & Electric (PG&E)

- Add
- Change
- Delete

Second Embossed Line (Optional): \_\_\_\_\_

Approving Official Title/Description:	_____	Phone:	_____
Account Number (Change/Delete):	_____	Date of Birth:	_____
Cardholder Name:	_____	Spending Limit Per Cycle:	_____
Address - Line 1:	_____	MCC - Merchant Category Code:	_____
Address - Line 2 (Optional):	_____	Single Purchase Limit:	_____
City, State, Zip Code:	_____	No. of Authorizations Allowed/Day:	_____
Social Security Number:	_____	No. of Transactions Allowed/Cycle:	_____
Mother's Maiden Name:	_____		
Accounting Code:	_____		



PG&E has entered into an agreement with First National Bank of Chicago to provide you, a qualified employee, with a Procurement Card. This card represents PG&E's trust in you and your empowerment to act as a responsible purchasing agent for PG&E, as described in PG&E's "Cardholder's Guide" attached to this Agreement.

NAME (please print): \_\_\_\_\_ Business Unit: \_\_\_\_\_

Department: \_\_\_\_\_

I acknowledge my participation in this program and agree to the following:

- That PG&E's "Cardholder's Guide" is the governing document for the Procurement Card Program.
- To comply with the terms and conditions of this Agreement, which are described in PG&E's "Cardholder's Guide."
- The MasterCard Procurement Card is to be used solely for reasonable business purchases and *not* to be used for personal purchases, cash advances, cash refunds, air travel, or car rental.
- I am responsible for all charges to the MasterCard Procurement Card.
- I am responsible for turning in all transaction receipts to the designated reconciler in a timely manner. If I am the designated reconciler, I am responsible for reconciling my monthly statement in a timely manner. My monthly statement must be submitted on a monthly basis.
- I am responsible for returning the MasterCard to my supervisor, or the Procurement Card Program Administrator upon request or when leaving the company.
- I am responsible for immediately reporting lost or stolen cards to First Chicago, my supervisor, and the Procurement Card Program Administrator.

First National Bank of Chicago  
1-800-848-2813

PG&E Procurement Card Program Administrator  
8-223-1386 or 1-415-973-1386

- I am responsible for resolving any billing discrepancies with merchants, and informing my supervisor of any charges that are currently under dispute.

I have read, understand and agree to the above mentioned terms and to the guidelines governing the use of the MasterCard Procurement Card. In addition, I understand that misuse or abuse of the card, or willful violation of the terms of this agreement may result in disciplinary action against me, up to and including termination.

\_\_\_\_\_  
(Employee's Signature)

\_\_\_\_\_  
(Supervisor's Signature)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\* Bank Use Only \*

Signature Verified: \_\_\_\_\_

AO #: \_\_\_\_\_

CH #: \_\_\_\_\_

Date Added: \_\_\_\_\_

Initials: \_\_\_\_\_

Mgt.: \_\_\_\_\_

\* PG&E Use Only \*

Materials & Fleet Authorized Signature: \_\_\_\_\_

Print Authorized Signer's Name: Robert B. Yewell

Date: \_\_\_\_\_