



**Robert Joga**  
Senior Director and  
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Labor Relations

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July 16, 2015

Mr. Tom Dalzell, Business Manager  
Local Union No. 1245  
International Brotherhood of  
Electrical Workers, AFL-CIO  
P.O. Box 2547  
Vacaville, CA 95696

Dear Mr. Dalzell:

This letter and its attachments will confirm the table agreement reached by the Company's Negotiating Committee and the Union's Negotiating Committee with respect to the IBEW Physical Agreement and the Benefits Agreement ("Benefit Agreement").

**Term**

The Physical Agreement and Benefit Agreement each will have a four-year term of January 1, 2016 through December 31, 2019.

**Wages**

The Company will grant a general wage increase, using normal rounding, of 3.0 percent (3%) effective January 1, 2016; 3.25 percent (3.25%) effective January 1, 2017; 3.50 percent (3.5%) effective January 1, 2018; and 3.25 percent (3.25%) effective January 1, 2019.

**Time Off and Disability Program Design**

Effective January 1, 2017, the Company will establish a voluntary wage replacement benefit through a Short-Term Disability Insurance and Paid Family Leave program in lieu of the benefits provided by the State of California. The Company will also establish a new a) Long Term Disability (LTD) Plan IV; b) Incidental Sick Pay Program; and c) Vacation Program. The Plan Document will be the governing documents for each respective program. The Summary of Benefits Handbook, Physical Agreement, and any other impacted letters of agreement will be revised or eliminated consistent with these changes.

**Joint Oversight Committee**

A joint oversight committee will be established to oversee the implementation of this agreement. The committee shall have the authority to make recommendations to the Company's Chief Negotiator and the Union Business Manager pertaining to:

- Contractual impacts that may result from this agreement, including the Stay at Work/Return To Work letter of agreement and the establishment of a hardship exception process for employees who have exhausted their paid sick banks.
- The third party administrator for the Short-Term Disability/Paid Family Leave benefits.

**Ad Hoc Committees**

Pursuant to Title 400 of the Physical Collective Bargaining Agreement, Company and Union will continue to engage in interim negotiations on mutually agreed upon issues.

**Re-Opener for PG&E Retiree Benefits**

The parties agree to re-open negotiations in 2016 to discuss the retiree benefits for PG&E Retirees.

**Board Approval and IBEW Membership Ratification**

The tentative agreement reached for the general wage increase and Benefits are subject to approval by the PG&E Corporation Compensation Committee, the PG&E Executive Benefits Committee and collective ratification by both the IBEW Physical and Clerical bargaining units.

**Effective Date**

The changes made in the Table Settlement for the Physical Agreement and the Disability Benefits Agreement will have an effective date as noted herein.

Attached are amended Contract sections as agreed to during the negotiations, as follows:

- A. Physical Agreement Amendments
- B. Disability Benefits Agreement (includes Voluntary Short-Term Disability, Voluntary Paid Family Leave and Long Term Disability)

If any of the above or the attachments thereto are not in accordance with your understanding of our settlement, please let me know immediately.

Sincerely,

PACIFIC GAS & ELECTRIC COMPANY

By: \_\_\_\_\_



Robert Joga  
Senior Director and Chief Negotiator

The Union is in agreement with this letter and its attachments.

LOCAL UNION NO. 1245, INTERNATIONAL  
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

July 16, 2015

By: \_\_\_\_\_



Tom Dalzell  
Business Manager

**TITLE 101. LEAVE OF ABSENCE**

**101.1 ELIGIBILITY**

"Leave of absence" without pay shall be granted to regular employees, under the conditions set forth in this Title for urgent or substantial personal reasons, provided that adequate arrangements can be made to take care of the employee's duties without undue interference, or if required by law, undue hardship, with the normal routine of work. A "leave" will not be granted if the purpose for which it is requested may lead to the employee's resignation. For the purpose of this Agreement the terms "leave of absence" and "leave" signify absence without pay for periods in excess of ten consecutive workdays. In the computation of the length of a "leave of absence" there shall not be included any time the employee is absent with pay. Absences without pay for ten consecutive workdays or less shall also be authorized under these provisions. (Amended 1-1-09)

In addition to the provisions of this Title, it is the intent of the parties to include leave benefits as mandated by state and federal law, including both the California Family Rights Act of 1991, the California Pregnancy Disability Leave, and the Federal Family and Medical Leave Act of 1993. (Amended 1-1-94~~17~~)

An employee who is absent and approved under the Voluntary Short Term Disability or Voluntary Paid Family Leave Plan shall concurrently be on an authorized "leave of absence" in accordance with 101.2(a).

"Leave" runs concurrently with and does not extend the maximum period of leave to which the employee may be entitled under the California Family Rights Act, California Pregnancy Disability Leave or Federal Family and Medical Leave Act. (Added 1-1-17)

**101.2 PERIODS OF LEAVE**

(a) The Company may grant a "leave of absence" without pay to a regular employee for a period not in excess of six consecutive months. It may grant an additional "leave of absence" without pay to such employee if personal circumstances and service to the Company warrant the granting thereof or as otherwise required by applicable law. Except as provided in Sections 101.6 and 101.8, a "leave of absence" will not be granted which, together with the last "leave" or "leaves" granted, will exceed twelve consecutive months. (Amended 1-1-09)

(b) Child Care Leave: A regular employee who has become a parent by the birth or adoption of a child, or ~~has become the legal guardian~~ **foster placement** of a child shall be entitled to an unpaid "leave of absence" for a period not to exceed six consecutive months, without reference to urgent and substantial personal reasons to care for such newborn, **foster** or adopted child. **Leave must be taken and concluded within 12 months of the child's birth, adoption or foster placement.** When an employee who was granted a leave for child care applies for reinstatement the employee will be returned to the employee's former classification and headquarters which the employee vacated. (Amended 1-1-~~17~~94)

An employee shall be entitled to an additional "leave of absence" for a period not in excess of six consecutive months for child care with the understanding that the employee may return to work provided a vacancy exists in the classification and headquarters which the employee vacated, or in a classification lower thereto in the Line of Progression at such headquarters.

If a vacancy of this kind does not exist after the second six consecutive months, the employee's service shall be terminated. (Entire Subsection Added 1-1-84)

(c) If an employee has become a legal guardian the Company may, at its discretion, grant a "leave of absence" pursuant 101.1 above. (Added 1-1-17)

**103.1 HOLIDAY ENTITLEMENT**

Only regular employees who are not on a "leave of absence" and who:

- (a) are paid for the workdays immediately before and after the holiday, or
- (b) are off work with permission, but without pay, for reasons of illness or disability, on the workdays immediately before and after the holiday, or
- (c) are paid for the workday either before or after the holiday but are off work with permission without pay on the other day,

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shall, except as provided in Section 103.7, be entitled to have the following holidays off with pay when they fall on a workday in such employee's basic workweek:

New Year's Day	(January 1)
Martin Luther King, Jr. Day	(3rd Monday in January)
Washington's Birthday	(3rd Monday in February)
Memorial Day	(last Monday in May)
Independence Day	(July 4)
Labor Day	(1st Monday in September)
Veterans' Day	(November 11)
Thanksgiving Day	(4th Thursday in November)
Friday after Thanksgiving	
Christmas Day	(December 25)
Three Floating Holidays	(see Section 103.3)

(Amended 1-1-94)

**103.2 HOLIDAYS DURING VSTD/VPFL COVERED ABSENCES**

(a) Regular full-time employees shall receive eight (8) holiday hours in their holiday account for each holiday that occurs during the employee's first four hundred and eighty (480) cumulative hours of absence, which is covered by Voluntary Short-Term Disability or Voluntary Paid Family Leave, in any calendar year.

In no event shall a regular full-time employee receive holiday hours in their holiday account for holidays that occur during absence beyond four hundred and eighty (480) cumulative hours of VSTD or VPFL absence in a calendar year.

(b) Regular part-time employees shall receive pro-rated holiday hours in their holiday account for each holiday that occurs on a regular workday during the employee's first four hundred (400) cumulative hours of absence, which is covered by Voluntary Short-Term Disability or Voluntary Paid Family Leave, in any calendar year.

In no event shall a regular part-time employee receive holiday hours in their holiday account for holidays that occur during absence beyond four hundred (400) cumulative hours of VSTD or VPFL absence in a calendar year.

(c) Hours in the holiday account shall be scheduled in conjunction with the employee's next scheduled vacation under the provisions of Title 111, except that such day may be taken prior to the employee's next scheduled vacation with the approval of the supervisor in charge.

(d) This section does not apply to Floating Holidays.

(Added 1-1-17)

**TITLE 106. STATUS**

**106.3 SERVICE**

Service is defined as the length of an employee's continuous employment since his/her Employment Date with Company, a Predecessor Company, any Company or association named in Section 106.2 above, and as provided hereafter in Section 106.4. The continuity of an employee's Service shall be deemed to be broken by termination of employment for any reason or layoffs for lack of work which is in excess of the time provided for in Subsection (a) below. The following periods of absence shall count as service for purposes of this Agreement and shall not constitute a break in service: (Amended 1-1-88)

(a) Absences caused by layoff for lack of work so long as such employee has been absent less than thirty continuous months. (Amended 1-1-94)

(b) Absence on a leave of absence authorized by the Company pursuant to the provisions of Title 101 provided the employee returns to active work with Company immediately following the leave of absence. (Amended 1-1-91)

(c) Absence because of illness or injury as long as the employee is entitled to receive sick leave incidental sick pay or capped sick leave pay or is entitled to receive benefits under the provisions of the Voluntary Wage Benefit Short-Term Disability or Voluntary Paid Family Leave Plan, a state disability plan, the Long-Term Disability Plan, or a Workers' Compensation Law, provided that the employee returns to active work with the Company immediately following recovery from the illness or injury. (Amended 1-1-17)

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### 106.5 REGULAR STATUS

#### (a) Regional or General Office Departmental Employees

(1) Regional or General Office Departmental employees shall be designated as probationary and regular, depending on the length of their Service. (Amended 1-1-88)

(2) New employees shall be hired as probationary employees at a daily rate of pay not less than the minimum wage established for the classification of work to be performed. As long as a probationary employee retains such status, the employee shall not acquire any Service, or rights with respect to leave of absence, holidays, job bidding and promotion, demotion and layoff, sick leave, vacation, or similar rights and privileges. (Amended 1-1-17)

(3) On the completion of such employee's first six months of Service which, notwithstanding the provisions of Section 106.3 above, is uninterrupted by absence for more than a cumulative total of 30 days due to (i) layoff, (ii) sickness or disability, or (iii) any other reason, a probationary employee shall be given a status of a regular employee, a definite job classification, and placed on a weekly rate. (Amended 1-1-91)

(4) The transfer of a probationary employee from one job to another without interruption of work time shall not be considered an "interruption" of such six months' period of Service.

#### (b) General Construction

(1) General Construction employees shall be designated as casual or regular. A regular employee who has completed less than one year of Service extended by layoffs or absences of 30 consecutive days or more, may be terminated for inadequate work performance without recourse to the grievance procedure.

(2) A casual employee is one who is hired at a daily wage rate for an indeterminate period of time and who, regardless of length of service with Company, does not, as long as the employee retains such status, acquire any service, vacation, sick leave, leave of absence, or similar rights and privileges. (Amended 1-1-17)

(3) When a casual employee has completed six months of service with Company at its established rates of pay, such employee shall be given the status of regular employee, provided that he/she meets Company's qualifications for continued employment. As used herein, six months of service is defined as a minimum of 115 days of work in any period of six consecutive months at the straight rate of pay; provided, however, that if by reason of absence due to inclement weather or holidays in such period an employee was prevented from working a total of 115 days, such period shall be extended by not more than the total number of days of such absence. (Amended 1-1-91)

(4) A regular employee is one who has qualified for transfer from the status of casual employee and whose pay has been established at a weekly wage rate.

### 106.6 PART-TIME EMPLOYMENT

(a) A part-time employee is any employee whose regularly scheduled workweek is less than 40 hours. ~~Regular part-time employees who attained part-time status on or before December 31, 1990 shall be entitled to Service and prorated vacations and sick leave based on the ratio of total straight-time hours worked in a year by the employee to the full-time equivalent hours (2,080 hours per calendar year), unless otherwise noted. Regular Part part-time employees who attained part-time status on or after January 1, 1991 shall be entitled to Service and prorated benefits, vacations and sick leave based on the ratio of total straight-time hours worked in a year by the employee to the full-time equivalent hours (2,080 hours per calendar year), unless otherwise noted. (Amended 1-1-17)~~

(b) A part-time employee who ~~attains regular status or a regular full-time employee who accepts part-time status on or after January 1, 1991~~ shall be eligible to receive the following benefits **as noted in this agreement and in accordance with the eligibility requirements as stated in the Summary of Benefits Handbook:**

(1) Group Life Insurance, **Voluntary Short-Term Disability, Voluntary Paid Family Leave,** and Long-Term Disability coverage, and Retirement Plan and **Retirement** Savings Fund Plan benefits as provided in the Benefit Agreement. (Amended 1-1-17)

(2) Medical, Dental and Vision plan coverage as provided in the Medical, Dental and Vision Benefit Agreement.

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(3) Vacation allowance as provided in Title 111, but prorated based on the ratio of total straight-time hours worked in a year to 2,080 hours.

(4) Sick Leave ~~Incidental sick pay~~ as provided in Title 112, but prorated based on the ratio of straight-time hours worked in a year to 2,080 hours. Incidental sick pay and capped sick leave may only be taken on those days or for those hours that an employee is asked or scheduled to work and is unable to work due to illness or non-industrial injury. **(Amended 1-1-17)**

(5) Paid holiday hours prorated based on ratio of straight-time hours scheduled to work in a year to 2,080 hours. (Amended 1-1-09)

### 106.7 INTERMITTENT EMPLOYEES

(a) An intermittent employee is one who does not work any set schedule of hours per day or days per week, but who is on call to fill in on any schedule on an as-needed basis. During sickness or vacation relief periods, however, such employee may be assigned to work the schedule and hours of the absent employee if such an assignment cannot be made pursuant to the provisions of Subsection 205.3(a) or any Relief Agreement.

(b) Intermittent employees will attain regular status upon the completion of six months of continuous service. Continuous service is defined in Section 106.5 as being uninterrupted by (1) discharge, (2) resignation, or (3) absence for more than a cumulative total of 30 days due to (i) layoff, (ii) sickness or industrial disability, or (iii) other causes. If an employee is off for more than 30 days during a six-month period, a new six-month qualifying period will begin upon return to work. (Amended 1-1-91)

(c) An intermittent employee who attains regular status or a regular employee who accepts intermittent status shall be eligible to receive the following benefits **as noted in this agreement and in accordance with the eligibility requirements as stated in the Summary of Benefits Handbook:**

(1) Group Life Insurance, Voluntary Short-Term Disability, Voluntary Paid Family Leave and Long-Term Disability coverage, and Retirement Plan and Retirement Savings Fund Plan benefits as provided in the Benefit Agreement. **(Amended 1-1-17)**

(2) Medical, Dental and Vision plan coverage as provided in the Medical, Dental and Vision Benefit Agreement.

(3) Vacation allowance as provided in Title 111, but prorated based on the ratio of total straight-time hours worked in a year to 2,080 hours.

(4) Sick Leave ~~Incidental sick pay~~ as provided in Title ~~112~~ Subsection 112.1(c), but prorated based on the ratio of total straight-time hours in a year to 2,080 hours. Incidental sick pay and capped sick leave may only be taken on those days and for those hours that an employee is asked or scheduled to work and is unable to work due to illness or non-industrial injury. **(Amended 1-1-17)**

(5) Paid holidays when regularly scheduled to work that day. Such holiday payment shall be in proportion to the amount of time which the employee would have worked on that day if it were not a holiday.

(d) **An intermittent employee who has not attained regular status shall be eligible for California Paid Sick Leave as provided in Subsection 112.18. (Amended 1-1-17)**

### 106.12 TEMPORARY ADDITIONAL EMPLOYEE (Added 1-1-91)

In order to make assignments for occasional or seasonal work, Company may hire temporary additional employees in accordance with the following conditions:

(a) Company shall first fill all temporary vacancies pursuant to Subsection 205.3 or 305.4 wherever possible.

(b) Temporary additional employees shall attain regular status upon the completion of 1,040 hours in any 365 day period. Temporary additional employees shall not be eligible for ~~sick pay~~, holiday pay, vacation pay, insurance coverage, pension coverage or items of similar nature, except as specifically provided herein. **Temporary Additional employees shall be eligible for California Paid Sick Leave as provided in Subsection 112.18. (Amended 1-1-17)**

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(c) The utilization of any temporary additional employee shall be considered as "contracting out of work" for the purposes of Letter Agreement 88-104, but such employees will not be considered as working in the affected department for the purposes of Letter Agreement 88-104.

(d) Company shall utilize temporary additional employees in place of any agency employees.

**TITLE 110. PREMIUM PAY**

**110.4 NON-WORK TIME**

Shift premiums shall be payable only for hours actually worked, and shall not be paid for non-work time such as holidays, incidental sick pay or capped sick leave, Voluntary Short-Term Disability, Voluntary Paid Family Leave and vacation. (Amended 1-1-17)

**TITLE 111. VACATIONS**

**111.1 DEFINITIONS**

(a) **Eligibility:** The provisions of this Title apply only to regular, probationary and casual employees.

(b) **A Regular Employee** is an employee who has fulfilled the applicable requirements of Section 106.5 of this Agreement. (Deleted 1-1-17)

(c) **Earned Vacation Allowance** is the number of paid vacation hours which an employee has earned in the calendar year. The number of paid vacation hours will be determined by the straight-time hours worked in the calendar year and years of employment. An employee may not have more vacation hours than one and one-half times twice their annual accrual rate in their vacation account as of December 31. Excess vacation hours will be paid annually by the end of February beginning in February 2010, based on excess vacation as of December 31 of the prior year and will be paid at the current rate of pay. (Amended 1-1-17)

**111.2 VACATION ALLOWANCE**

(a) Employees in their first year of Service, accrue vacation on paid straight time hours each pay period at the rate of 80 hours per year. A regular employee shall be entitled to take vacation with pay accrued in accordance with the following table; in Subsection 111.2(b). (Amended 1-1-17)

(b) In the subsequent calendar years a regular employee shall be entitled to vacation with pay in accordance with the following table: (Deleted 1-1-17)

EARNED ANNUAL VACATION	
SERVICE ANNIVERSARY YEAR	NUMBER OF VACATION DAYS (HOURS) EARNED
Up to 1 Year	1-10 days (0 to 80 hours)
1 - 4 Years	10 days / 80 hours
<u>5-0</u> - 14 Years	15 days / 120 hours
15 - 20 Years	20 days / 160 hours
21 - 28 Years	25 days / 200 hours
29 or more Years	30 days / 240 hours

(Amended 1-1-17)

(c) (Deleted 1-1-91)

(d) (Deleted 1-1-91)

(e) (Deleted 1-1-91)

(f) (Deleted 1-1-91)

(g) Employees may purchase up to five (5) days of vacation, referred to as Vacation Buy Days (VB Days) per calendar year. Administration of this program will be in accordance with the Summary of Benefits Handbook. (Added 1-1-17)

#### 111.4 PART-TIME AND INTERMITTENT REGULAR EMPLOYEES

A regular part-time or regular status intermittent employee shall earn an annual vacation allowance as determined in the foregoing Section 111.2, but such allowance will be based on the ratio of the total straight-time hours worked by the employee in a year to 2,080 hours. (Amended 1-1-1791)

#### 111.5 FORFEITURE OF VACATION

(a) An employee who is absent for 240 cumulative hours or more in any calendar year by reason of leave of absence or layoff without pay for any reason, or for 880 hours or more in any calendar year by reason of industrial disability, shall cease accruing vacation until the employee returns to work. An employee may, at his/her option, take the full vacation to which the employee would be otherwise entitled, in which event the employee shall receive no vacation pay for the number of hours of vacation forfeited as herein determined. (Amended 1-1-09)

(b) A part-time employee who is absent for 200 cumulative hours or more in any calendar year by reason of leave of absence or layoff without pay for any reason, or for 720 hours or more in any calendar year by reason of industrial disability, shall cease accruing vacation until the employee returns to work. (Added 1-1-17)

(c) Notwithstanding section (a) above, full-time employees shall continue accruing vacation for up to four hundred and eighty (480) cumulative hours of absence if covered by Voluntary Short-Term Disability or Voluntary Paid Family Leave, in any calendar year. In no event shall an employee continue accruing vacation during absence beyond four hundred and eighty (480) cumulative hours in any calendar year, except by reason of industrial disability. If any absence is for less than 240 cumulative hours in duration because of leave of absence, or layoff without pay for any reason, or is for less than 880 hours in duration because of industrial disability, an employee shall be entitled to a full vacation as provided for in Section 111.2. (Amended 1-1-0917)

(d) The provisions of this Section do not apply to part-time employees. Notwithstanding section (b) above part-time employees shall continue accruing vacation for up to four hundred (400) cumulative hours of absence if covered by Voluntary Short-Term Disability or Voluntary Paid Family Leave, in any calendar year. In no event shall an employee continue accruing vacation during absence beyond four hundred (400) cumulative hours in any calendar year, except by reason of industrial disability. (Added 1-1-17)

#### 111.6 VACATION ALLOWANCE WHEN LAID OFF FOR LACK OF WORK

An employee who has qualified for a vacation, and who is laid off for lack of work, shall be paid a vacation allowance under the provisions of Section 111.7. Thereafter if the employee returns to work and Service is not deemed to be broken under the provisions of Title 106, vacation shall be computed on the basis of Subsection 111.2(b). (Amended 1-1-0917)

#### 111.10 SICK LEAVE

(a) An employee shall not be required to use vacation in lieu of incidental sick pay or capped sick leave; provided however that (Amended 1-1-17)

(b) an employee who becomes sick or disabled while on vacation shall continue to receive vacation pay unless

(1) the employee has been hospitalized for one day or more for which the employee otherwise would receive vacation pay; or

(2) the employee's doctor has ordered the employee to remain in bed for two or more such days. (Amended 1-1-91)

(c) Employees may utilize vacation pay to cover the benefit waiting period for the Voluntary Short-Term Disability covered absences if incidental sick pay and capped sick leave banks are exhausted. (Added 1-1-17)



**111.13 SCHEDULING**

(a) An employee desiring to use vacation during the months of January, February and March shall indicate a choice of vacation periods by the 15th day of December of the preceding year. Company shall post on appropriate bulletin boards in each headquarters a special sign-up schedule for this purpose. (Amended 1-1-91)

Not later than March 5 of each year Company shall post on appropriate bulletin boards another vacation schedule sign-up in each department in each headquarters where employees shall designate their choice of vacation periods for the months of April through December for that year. Such schedule shall be posted no later than March 15 on the appropriate headquarters' bulletin boards.

**(b) Regional or Department Employees Only**

(1) Company shall schedule vacations throughout the calendar year and shall prepare the annual vacation schedule on the basis of the sign-up giving effect where possible to the selection of employees in order of their Service. An employee may schedule in increments of one day or more. (Amended 1-1-88)

(2) To prevent undue interference with the proper and economic rendition of service to the public, Company may designate the number of employees at a headquarters, the number of employees within a classification at a headquarters or within a Bidding Area or the number of employees within a combined group of classifications within a Line of Progression at a headquarters or within a Bidding Area which may be on vacation at one time. In such event there shall be a separate sign-up schedule for each such group and a vacation schedule shall be prepared for each group giving effect where possible to the selection of employees in order of their Service within the group designated. (Amended 1-1-91)

(3) If an employee elects to divide his/her annual vacation into two or more periods on a sign-up schedule and it is possible for Company to give effect thereto, such employee shall be given preferential consideration over other employees in his/her selection of only one of such periods until all other employees within the group have indicated their first choice of a vacation period. Where more than one employee in a headquarters or group desires to divide his/her vacation into two or more periods on a sign-up schedule, there shall be subsequent sign-ups as required for selection of open periods not filled by the previous sign-up. Sign-ups for additional periods shall be conducted in the same manner with the employee with the most Service having his/her choice of vacation periods not yet selected. In no event shall an employee be allowed more than five ~~five~~ six vacation periods of less than one week during any calendar year, exclusive of situations where an employee elects to use such vacation time in combination with other authorized time off entitlement. (Amended 1-1-91)

(4) Company may schedule vacation by crews in the interest of economy and efficiency of operation, in which event the vacation period for each crew shall conform as nearly as practicable to the dates selected by a majority of the crew members in the sign-up provided for herein. When vacations are scheduled by crews a member of one crew may exchange a vacation period with a member of another crew in the same classification. (Amended 1-1-91)

**(c) General Construction Employees**

(1) Company shall prepare the annual vacation schedule giving effect to the employees' selections where practicable and taking into consideration their Service. Vacations are to be scheduled in increments of one week or more, except that any employee may schedule up to five ~~five~~ six days per year in increments of one day or more. (Amended 1-1-80)

(2) Company may schedule vacations by crews in the interest of economy and efficiency of operation.

(3) If an employee elects to divide annual vacation into two or more periods on a sign-up schedule and it is practicable for Company to give effect thereto, such employee shall be given preferential consideration over other employees in the selection of only one of such periods. (Amended 1-1-91)

**TITLE 112. INCIDENTAL SICK PAY AND CAPPED SICK LEAVE**

**112.1 QUALIFICATION RATE OF COMPENSATION INCIDENTAL SICK PAY effective 1-1-17**

After completing one year of Service and for each year of Service thereafter, a Probationary, casual and regular employees shall be allowed sick leave with pay for a total of up to eighty (80) hours of incidental sick pay per calendar year. Beginning January 1, 2017, full-time employees will be allotted forty (40) hours in their incidental sick bank. On July 1, 2017, these employees will receive an additional forty (40) hours in their bank. Thereafter:

- (a) Full-time employees with less than forty (40) hours in their incidental sick bank on December 31 will receive the necessary amount of incidental sick hours to bring their bank to forty (40) hours on January 1. On July 1, these employees will receive an additional forty (40) hours in their bank.
- (b) Full-time employees with forty (40) or more hours in their incidental sick bank on December 31, will receive up to forty (40) hours in their bank on January 1 not to exceed a total bank of eighty (80) hours. These employees will not receive any additional incidental sick hours for the remainder of the year.
- (c) A part-time or regular status intermittent employee shall be allotted pro-rated incidental sick hours based on the ratio of straight-time hours worked in a year to 2,080 hours.
- (d) The January 1 or July 1 incidental sick hours will not be allotted unless the employee first performs services in that semi-annual allotment period.
- (e) In no event will employees be eligible to have or use more than eighty (80) hours of incidental sick pay in a calendar year.
- (f) An employee's use of incidental sick pay or capped sick leave under this Title runs concurrently with and does not extend the maximum period of leave to which the employee may be entitled under the California Family Rights Act, California Pregnancy Disability Leave or Federal Family and Medical Leave Act.

A regular part-time employee or intermittent employee shall be allowed sick leave with pay for such portion of 80 hours per calendar year as the ratio of straight-time hours worked in a year to 2,080 hours. Current sick leave will not be credited unless the employee first performs services in the new year. (Amended 1-1-09)

**112.2 ACCUMULATION**

A regular employee, in addition to the annual sick leave allowed under the provisions of Section 112.1, shall be allowed further sick leave with pay which shall not exceed the total of unused annual sick leave in the eight years immediately preceding. (Amended 1-1-91)

**112.3 ADDITIONAL SICK LEAVE AFTER 10 YEARS**

In the calendar year in which Company anticipates that an employee may attain ten years of Service and in any calendar year thereafter, an employee whose sick leave record qualifies the employee in accordance with the formula shown below shall, upon exhausting his/her accumulated and current sick leave, be allowed additional sick leave, if needed, not to exceed 160 hours in such calendar year. (Amended 1-1-91)

- (a) For each of the preceding eight calendar years, calculate the employee's annual sick leave accrual by subtracting from 80 hours each year the hours (not exceeding 80 hours) of sick leave used in such year. (Amended 1-1-91)
- (b) Total such annual sick leave accrual for the eight years involved.
- (c) If such total is 320 hours or more, the employee shall be qualified for the additional allowance.
- (d) Once the employee has qualified for such additional allowance, such additional allowance shall be renewed in full on the first day of each succeeding calendar year.

**112.4 ADDITIONAL SICK LEAVE AFTER 20 YEARS**

In the calendar year in which Company anticipates that an employee may attain 20 years of Service, an employee who has qualified for additional sick leave under Section 112.3 shall, upon exhausting such additional sick leave as provided in Section 112.3, be allowed, if needed, an additional 160 hours in such calendar year. Once the employee has qualified for such additional allowance, such additional allowance shall be renewed in full on the first day of each succeeding calendar year.

112.5 (Deleted 1-1-09)

**112.6 HOURLY USAGE INCREMENTS**

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Incidental sick pay and capped sick leave shall be charged by the half-hour with no charge made for increments of less than one-half hour. Such time off as that allowed for an employee's personal medical and dental appointments shall be charged as incidental sick pay or capped sick leave. (Amended 1-1-17)

**112.7 HOLIDAYS**

If a holiday occurs on a workday during the time an employee is absent on incidental sick pay or capped sick leave with pay, the employee shall receive pay for the holiday as such; and it shall not be counted as a day of incidental sick pay or capped sick leave. (Amended 1-1-17)

**112.8 ABUSE**

Company may require satisfactory evidence of an employee's illness or disability before incidental sick pay or capped sick leave will be granted. If an employee abuses the incidental sick pay or capped sick leave provisions of this Agreement by misrepresentation or falsification, the employee shall restore to Company all incidental sick pay or capped sick leave payments the employee received as a result of such abuse. In case of recurring offenses by the employee, Company may cancel all or any part of such employee's ~~current and cumulative~~ incidental sick pay or capped sick leave, and may treat the offense as it would any other violation of a condition of employment. Charges of alleged discrimination in the application of this Section shall be investigated by the Local Investigating Committee described in Section 102.6. (Amended 1-1-17)

**112.9 TERMINATION DUE TO PHYSICAL DISABILITY**

If a regular employee is required permanently to leave the Service of Company because of physical disability, the employee shall, on termination of employment, be entitled to an allowance which shall be the equivalent of the available balance of incidental sick pay and capped sick leave to which the employee would be entitled under the provisions of Sections 112.1 and 112.17, 112.2, 112.3, and 112.4. (Amended 1-1-17)

**112.10 LIGHT WORK/STAY AT WORK/RETURN TO WORK**

(a) Except as provided in Section 108.2, if an employee's health or physical ability becomes impaired to such an extent that he/she cannot perform the work of his/her classification, Company shall, if practical to do so, give such employee light work within his/her ability to perform for which he/she shall be compensated at the rate of pay established for such work. (Amended 1-1-91)

(b) It is Company's policy in the administration of Subsection 112.10(a) above to assign employees who are permanently partially disabled to such light work as may be available within the employee's current classification. When making such assignments within the employee's classification, Company shall give consideration to whether or not the disability is industrially related, the employee's service, the operating requirements of the Bidding Area or Department, and the temporary assignments as provided in Section 108.2. For example, in the Electric Transmission and Distribution Department of the Divisions, Company will attempt to assign employees who can no longer meet the climbing requirement but who are otherwise qualified as journeymen to duties which require journeyman skills but do not require employees to climb on a regular basis. The foregoing shall not be interpreted to apply to more than one journeyman, including classifications higher thereto in the normal Line of Progression, in ten in any headquarters and shall be administered on the basis of service and qualifications. (Amended 1-1-17)

(c) Placement of Partially Disabled Employees: In the event an employee is disabled due to injury or illness and is returned to active payroll in a physical or clerical classification or is assigned to a classification designed for the employee with the prior written agreement of Union, the employee shall be paid in accordance with the following formula:

(1) if the employee is returned to the classification held before the disability occurred, the rate of pay for such classification, or

(2) if to a classification with a lower wage rate, the rate of pay of the employee's pre-disability classification for up to five (5) years, without general wage increases, or until such time that the wage rate of the assigned classification exceeds the pre-disability rate. In no case shall an employee be assigned a classification with a wage rate of lower than 70% of the employee's pre-disability rate of pay. if the employee has less than ten years of Service at the time of the employee's disability, the rate of pay of the classification to which assigned, or (Amended 1-1-17)

(3) if the employee has ten or more years of Service at the time of his or her disability: The rate of pay of the classification to which assigned plus four percent per year of Service (but not over 100 percent) times the difference between such rate of pay and the rate of pay of the employee's regular

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classification immediately prior to the injury or illness which caused the employee's disability. ~~(Deleted 1-1-17)~~ An employee who returns to active payroll at a rate of pay calculated as in (3) above shall be limited to 50 percent of any general wage increase until such time as the partially disabled employee is receiving a rate of pay equal to the rate of the classification to which such employee is assigned. In no case will a partially disabled employee who is placed on the active payroll be paid less than 110 percent of such employee's current LTD rate of pay. (Added 1-1-83) ~~(Deleted 1-1-17)~~

(d) An employee who is disabled due to injury or illness who is able to return to active payroll and the classification held prior to such disability but is assigned to a classification with a lower rate of pay shall be entitled to the provisions as described above until such time as the employee is returned to his/her former status on an accelerated basis as provided in Sections 206.9 and 306.9. (Amended 1-1-91)

112.11 (Deleted 1-1-97)

112.12 (Deleted 1-1-97)

**112.13 TIME CARD UPGRADE**

The ***incidental sick pay and capped*** sick leave pay of an employee who works in other than his/her regular classification on a time card basis shall be based on the rate of pay of the regular classification. (Amended 1-1-17)

**112.14 UPGRADE OTHER THAN TIME CARD**

If an employee who is temporarily upgraded other than on a time card basis is absent by reason of illness or disability, the ***incidental sick pay or capped*** sick leave pay for such absence shall be based on the rate of pay of the job to which the employee is temporarily upgraded. (Amended 1-1-17)

**112.15 STAY AT WORK/RETURN FROM LTD**

By written agreement between the Company's ***Stay at Work/Return to Work (SAW/RTW) Team*** and the Union ***co-chair of the LTD RTW ad hoc committee appointed by the Union Business Manager***, and on an individual basis, an employee who qualified for and received benefits under provisions of the Long-Term Disability Plan of the Benefit Agreement between the Company and the Union may be returned to active Service.

**112.16 FAMILY SICK** (Added 1-1-00)

(a) In any calendar year, a regular full-time employee shall be permitted to use the employee's current available sick leave benefits up to 40 hours ***of incidental sick pay*** in the calendar year, to attend to an illness of a child, parent, or spouse ***family member*** of the employee ***in accordance with California Sick Leave law***. (Amended 1-1-17)

(b) A regular part-time employee ***or an intermittent employee who has attained regular status*** may take up to one-half of their annual current ***incidental*** sick leave hours allotment to attend to an illness of a child, parent or spouse ***family member*** of the employee ***in accordance with California Sick Leave law***. (Amended 1-1-17)

~~(b) In addition, in the calendar year in which a regular full-time employees has qualified for additional sick leave under Section 112.3 and each succeeding calendar year it is renewed the employee shall be permitted to use up to 80 hours in the calendar year to attend to an illness of a child, parent, spouse, or registered domestic partner of the employee. In the calendar year in which a regular full-time employee qualified for additional sick leave under Section 112.4 and each succeeding year it is renewed, the employee shall be permitted to use up to 160 hours in the calendar year to attend to an illness of a child, parent, spouse, or registered domestic partner of the employee. A regular part-time employee who has qualified for additional sick leave under Sections 112.3 and 112.4 may take up to one-half of the additional sick leave hours awarded to an illness of a child, parent, spouse, or registered domestic partner of the employee. (Deleted 1-1-17)~~

(c) All conditions and restrictions that apply to an employee's use of ***incidental sick pay*** leave for his or her own illness shall apply to ***incidental sick pay*** leave usage to attend to an illness of a ***family member of the employee*** under this section. (Amended 1-1-17)

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(d) ~~An employee's use of sick leave under this section does not extend the maximum period of leave to which the employee may be entitled under the California Family Rights Act or the Federal Family and Medical Leave Act. (Amended 1-1-12 Deleted 1-1-17)~~

For purpose of this section only, the following definitions shall apply:

(1) "Child" means a biological, foster, or adopted child, a stepchild, or a legal ward of a registered domestic partner or child to whom an employee stands in loco parentis. (Amended 7-25-12)

(2) "Parent" means a biological, foster, or adoptive parent, a stepparent, or a legal guardian. (Amended 1-4-11)

**112.17 CAPPED SICK LEAVE BANK (Added 1-1-17)**

- (a) Employees unused sick leave balances at the end of December 31, 2016 will be capped in a "Capped Sick Leave Bank". This includes employees who are newly eligible for "Additional Sick Leave" hours in the 2016 calendar year pursuant to the Sick Leave provisions in effect before January 1, 2017.
- (b) Unused sick leave balances include annual, accumulated and additional sick leave.
- (c) Capped Sick Leave Bank balances:
  - (1) Must be exhausted prior to receiving VSTD benefits for qualifying events under the Plan.
  - (2) Use is limited to employee's own illness or injury.
  - (3) Can be utilized once an employee has exhausted or has no remaining incidental sick hours in his/her incidental sick bank. However, it cannot be utilized for absences beyond seven consecutive calendar days unless the employee meets eligibility criteria, including certification requirements, of the VSTD Plan.
  - (4) Upon an employee's eligible retirement, 20% of the value of his/her remaining Capped Sick Leave bank balance will be placed into the employee's Retiree Health Reimbursement Account (RHRA).
    - a. Value is determined based on the employee's basic wage rate on date of retirement. "Basic wage rate" means regular pay, on the date of retirement, excluding overtime, premium pay, bonuses, upgrades or other pay.
    - b. Eligibility requirements will be based on the following guidelines:
      - 1. Employee is qualified for retiree medical as defined under the Company's Retiree Medical Plan (attain age 55 and have a minimum of 10 years Credited Service under the PG&E Retirement Plan.)
      - 2. Employees who separate from the Company and are not qualified for retiree medical as defined under the Company's Retiree Medical Plan will forfeit all capped sick leave hours.
- (d) An employee's use of incidental sick pay or capped sick leave under this Title runs concurrently with and does not extend the maximum period of leave to which the employee may be entitled under the California Family Rights Act, California Pregnancy Disability Leave or Federal Family and Medical Leave Act.

**112.18 CALIFORNIA PAID SICK LEAVE FOR TEMPORARY ADDITIONAL AND INTERMITTENT EMPLOYEES WHO HAVE NOT ATTAINED REGULAR STATUS (Added per 1-1-17)**

Pursuant to the California Paid Sick Leave law, Temporary Additional and Intermittent employees who have not attained regular status shall be allotted twenty-four (24) hours of sick pay per calendar year.

(a) Temporary Additional and Intermittent employees who have not attained regular status must be employed for at least ninety (90) days before being able to use any sick pay.

(b) Sick pay not utilized at the end of each calendar year shall be forfeited.

(c) Employees can use sick pay for themselves or to attend to an illness of a family member in accordance with the guidelines provided in the California Paid Sick Leave law.

(d) Employees may only take sick pay on those days or for those hours that an employee is asked or scheduled to work and are unable to work due to illness or non-industrial injury.

## TITLE 204. WAGES AND CLASSIFICATIONS

### 204.2 WAGES - DUAL AND PROGRESSION

(a) (Deleted 1-1-97)

(b) An employee who has accumulated sufficient time in a classification having a time progression shall be advanced to the next step in such classification until such employee receives the maximum rate thereof. For the purpose of wage rate progression in a temporary classification, the time worked by an employee in other than his/her regular classification shall also be accrued in such temporary classification. (Amended 1-1-91)

(c) The "Wage Progression" of an employee who is absent on leave of absence without pay for more than ten consecutive workdays will be delayed by a period of time equivalent to such leave of absence. The "Wage Progression" of an employee in a beginning or other negotiated training classification who is absent for more than 25 consecutive workdays because of an industrial injury as defined in Section 108.1 or for an illness or disability and is receiving incidental sick pay, capped sick leave or Voluntary Short-Term Disability with pay as provided for in Sections 112.1 and 112.17, will be delayed by the period in excess of 25 consecutive workdays. (Amended 1-1-17)

(d) (Deleted 1-1-97)

## TITLE 304. WAGES AND CLASSIFICATIONS

### 304.1 WAGE PROGRESSION

(a) The "Wage Progression" of an employee who is absent on leave of absence without pay for more than ten consecutive workdays will be delayed by a period of time equivalent to such leave of absence. The "Wage Progression" of an employee in a beginning or apprentice or other training classification who is absent for more than 25 consecutive workdays because of an industrial injury as defined in Section 108.1 or for an illness or disability and is receiving incidental sick pay, capped sick leave or Voluntary Short-Term Disability with pay as provided for in Section 112.1 and 112.17, will be delayed by the period in excess of 25 consecutive workdays. (Amended 1-1-17)

## **VOLUNTARY SHORT TERM DISABILITY AND PAID FAMILY LEAVE PLANS**

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Effective January 1, 2017, the Company will establish a voluntary wage replacement benefit through a Short-Term Disability Insurance and Paid Family Leave program in lieu of the benefits provided by the State of California.

### **Voluntary Short-Term Disability (VSTD) and Voluntary Paid Family Leave (VPFL):**

Voluntary STD (VSTD) and Voluntary PFL (VPFL) plans will be provided in lieu of the State Disability Insurance (SDI) and California's Paid Family Leave plans. Highlights of the VSTD and VPFL plans will be as follows:

- Employees receiving benefits from VSTD and VPFL plans shall be considered to be on an approved leave of absence and shall not constitute a break in service.
- Employees may opt out of the VSTD and VPFL plan and receive benefits directly from the State of California. Employees may only enroll or opt out of the VSTD and VPFL during the benefits open enrollment period.
- VSTD and VPFL benefits shall be paid at an amount equal to seventy percent (70%) of the employee's basic wage rate.
  - "Basic wage rate" means regular pay, on the date of disability, excluding overtime, premium pay, bonuses, upgrades or other pay.
  - Basic wage rate is based on the employee's regular job classification on the date VSTD or VPFL begins.
  - For part-time and regular intermittent employees, VSTD and VPFL benefits are pro-rated based on the ratio of actual straight-time hours worked in the previous calendar year to the full-time hourly equivalent, rounded to the nearest month.
  - In the event the amount an employee would receive from SDI is greater than the VSTD benefit, the employee will receive the greater amount from the VSTD plan.
- Employees will continue to contribute the SDI equivalent at the prevailing percentage and maximum as established by the State of California. The contribution rate will adjust to the prevailing percentage and maximum as established by the State of California on a yearly basis.
- An individual covered by the VSTD and VPFL plan will be afforded the same rights as if he/she were covered under SDI.
- A two-tier appeal process will be managed by a third party administrator.
- A third party will administer VSTD and VPFL claims. Relevant medical information will only be provided to PG&E upon release from the employee and will be restricted to PG&E clinicians and leave administrators.
- Employees who are absent under VSTD or VPFL covered events will continue to accrue vacation pursuant to the limits of 111.5(b) of the Physical Agreement.
- Employees who are absent under VSTD or VPFL covered events may continue to contribute in the Retirement Savings Plan during the approved leave and receive Company matching contributions.

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### **Voluntary Short-Term Disability (VSTD) Eligibility:**

Eligibility for Voluntary STD benefits shall be consistent with the rules and regulations applied under the State Disability Insurance provisions. Highlights are as follows:

- An employee is considered "disabled" if an illness or injury prevents him/her from performing the normal duties of his/her own job or customary work for eight or more consecutive days, or the first day of hospitalization, whichever comes first.
- An employee must be under the care and treatment of a licensed health care provider within eight (8) calendar days of the date of disability. The health care provider must complete medical certification verifying disability.
- Employees must certify claims in accordance with the State Disability Insurance Provisions requirements.
- Benefit waiting period of 7 calendar days.
  - Incidental sick pay shall be utilized to cover the benefit waiting period for Voluntary Short-Term Disability (VSTD) covered absences.
  - Employees may utilize vacation pay to cover the benefit waiting period for the Voluntary Short-Term Disability covered absences if incidental sick pay and capped sick leave banks are exhausted.
- Benefit term of up to 52 weeks, excluding the 7 calendar day waiting period, for each qualifying illness or injury.
- Offsets Long-Term Disability if applicable.

### **Voluntary Paid Family Leave (VPFL) Eligibility:**

Paid Family Leave claims must be certified in accordance with the State Family Temporary Disability Insurance requirements. Eligibility for Company PFL benefits shall be consistent with the rules and regulations applied under the State Family Temporary Disability Insurance provisions, except as follows:

- No benefit waiting period
- Benefit term up to 8 weeks, need not be consecutive, per rolling 12 month period.



**LONG TERM DISABILITY (LTD)**

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Effective January 1, 2017, Company will establish a Long Term Disability Plan IV and amend the Long Term Disability Plan III as provided for below.

**Long Term Disability Plan IV:**

Company will establish a Long Term Disability Plan IV for employees who have a date of disability on or after January 1, 2017. Highlights of the plan are as follows:

- LTD benefits shall be paid at an amount equal to seventy percent (70%) of the employee's basic wage rate.
  - "Basic wage rate" means regular pay, on the date of disability, excluding overtime, premium pay, bonuses, upgrades or other pay.
  - Basic wage rate is based on the employee's regular job classification on the date of disability.
- Benefit waiting period of 52 weeks.
- An employee is considered "disabled" and qualified for LTD Plan IV benefits if an illness or injury prevents him/her from performing the essential duties of his/her own position, with or without accommodation, and another position at PG&E is not available for which the employee is skilled and qualified, within a commutable distance as defined in the parties' agreed upon Stay at Work/Return to Work Program.
- The terms of the agreed upon Stay at Work/Return to Work Program shall be applicable. However, the basic wage rate of a new position in which the employee can be placed shall not be less than seventy percent (70%) of the basic wage rate of the original position.
- Work Incentive Benefit
  - If an employee returns to or is placed into a classification with a lower wage rate, the employee will be paid the employee's pre-disability wage rate for up to five (5) years, without general wage increases, or until such time that the wage rate of the assigned classification exceeds the pre-disability rate. In no case shall an employee be assigned a classification with a wage rate of lower than 70% of the employee's pre-disability rate of pay.
  - The Final Pay Pension calculation will be based on the greater of the pre-disability wage rate or the rate of the new classification.
  - The Company/Union Stay at Work/Return To Work agreement shall apply to both occupational and non-occupational disabilities.
  - The sequence of job placement outside of the employee's base classification shall be as follows:
    1. Line of Progression
    2. Department
    3. Appropriate Bargaining Unit
    4. Physical or Clerical Bargaining Unit
    5. Any Bargaining Unit
- Pension credit will not accrue during periods when employee is receiving Long-Term Disability Plan IV benefits.

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- Employees on LTD Plan IV remain eligible to make contributions into the Retirement Savings Plan and receive Company matching contributions.
- No offset for dependent Social Security Benefits.
- All other provisions of LTD Plan III apply.

### **Long Term Disability Plan III:**

Employees receiving benefits from LTD Plan III may voluntarily participate in a Work Incentive Benefit as follows:

- If an employee returns to or is placed into a classification with a lower wage rate, the employee will be paid the employee's pre-disability wage rate for up to five (5) years, without general wage increases, or until such time that the wage rate of the assigned classification exceeds the pre-disability rate. In no case shall an employee be assigned a classification with a wage rate of lower than 70% of the employee's pre-disability rate of pay.
- The Company/Union Stay at Work/Return To Work agreement shall apply to both occupational and non-occupational disabilities.
- The sequence of job placement outside of the employee's base classification shall be as follows:
  1. Line of Progression
  2. Department
  3. Appropriate Bargaining Unit
  4. Physical or Clerical Bargaining Unit
  5. Any Bargaining Unit