



April 27, 2026

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

Dear Mr. Dean:

This letter and its attachments are the table agreement reached by the Company's Negotiating Committee and the Union's Negotiating Committee with respect to the IBEW Clerical Agreement and the Benefits Agreement, herein referred to as the Clerical Table Agreement (CTA).

### **Ratification Vote**

The CTA will be voted on by the IBEW Clerical represented employees. Implementation of all items in this document, including the General Wage Increase (GWI), working conditions and benefits changes will not occur until this CTA is ratified.

### **Term and Effective Date**

The term of the CTA will commence on the date of ratification and end December 31, 2028.

The effective dates for the changes made in this CTA are as noted herein.

### **Wages**

Employees will receive a five percent (5.0%) general wage increase using normal rounding effective the first pay period after the ratification date. If this agreement is ratified on the first vote, employees who are on the active payroll on the ratification date of the agreement will receive an additional payment equal to the amount they would have received if a five percent (5.0%) general wage increase had been implemented on January 1, 2026, as soon as administratively feasible. This payment will be included in covered compensation for the purposes of the Savings Fund Plan and Retirement Plan for employees who retired in 2026 and will not be included for any other benefit plan purposes. The five percent (5.0%) general wage increase for 2026 will be included in wage rates before applying the five percent (5.0%) general wage increase for 2027.

Employees who have retired on or after February 1, 2026, will receive a retroactive pay increase and pension recalculation for wages earned from January 1, 2026, to the ratification date or their retirement date, whichever is earlier as soon as administratively feasible.

In addition, the Company will grant a general wage increase using normal rounding of five percent (5.0%) effective January 1, 2027, and five percent (5.0%) effective January 1, 2028.

### **Ratification Bonus**

If the agreement is ratified on the first vote, a Ratification Bonus of \$1,500 will be granted to all IBEW Clerical represented employees who are on the active payroll on the ratification date of the agreement as soon as administratively feasible.

This Ratification Bonus will be excluded from “Basic Weekly Pay” for the purpose of calculating benefits under Part II (the Final Pay Pension) of the Pacific Gas and Electric Company Retirement Plan, Covered Compensation under Part III of the Pacific Gas and Electric Company Retirement Plan, and Covered Compensation under the Retirement Savings Plan for Union-Represented Employees. The Ratification Bonus is also considered taxable compensation. All taxable compensation is subject to the withholding of all applicable federal and state income and employment taxes.

### **Meals**

Effective the first pay period following the ratification date of the agreement, the parties agree to establish a meal allowance of \$50 for in-lieu overtime meals, overtime meals upon dismissal from work and overtime meals observed at restaurants. In addition, meal receipts will no longer be required or subject to reimbursement, and menu food restrictions will no longer be applicable for the overtime meals noted above. Alcohol restrictions remain under the Company Code of Conduct.

The meal allowance will be excluded from “Basic Weekly Pay” for the purpose of calculating benefits under Part II (the Final Pay Pension) of the Pacific Gas and Electric Company Retirement Plan, Covered Compensation under Part III of the Pacific Gas and Electric Company Retirement Plan, and Covered Compensation under the Retirement Savings Plan for Union-Represented Employees. The meal allowance is also considered taxable compensation. All taxable compensation is subject to the withholding of all applicable federal and state income and employment taxes.

After ratification, the parties agree to revise the Meals Clarification (LA R1-98-50-PGE) and the Comparable Substitute for Usual and Average Meals Supplement contained in the Clerical Agreement.

### **Rewards and Recognition**

Effective the first pay period following the ratification date of the agreement, the parties agree to increase the per employee per calendar quarter award limit from \$200 to \$400.

### **New Employee**

Effective the first pay period following the ratification date of the agreement, new employees will receive paid Company Holidays and five sick days upon hire. Additionally, an employee who has gained regular status but completed less than one year of service may be released for unsuitability without recourse to the grievance procedure. This provision will apply to all employee groups.

## **Job Bidding**

Within ninety days of the ratification date of the agreement, the parties agree to establish an Ad Hoc Committee to address contractual issues surrounding the establishment of a post-bidding system. This will include replacement of the pre-bidding and transfer systems, any required updates to Title 18 or any other affected contractual sections, and establishment of a committee to provide oversight to the implementation of the new post-bidding system.

## **Benefits**

Effective January 1, 2027, active employee Health & Welfare benefits will include additional options and changes including the following:

- New High-Deductible Health Plan (HDHP) with a Health Savings Account (HSA) option
- An Opt Out option which will reimburse \$250/month for eligible employees who waive medical, dental and vision coverage, and who are not covered by a PG&E Sponsored Health Plan
- No requirement to perform Health Screening with Quest to receive Company seed money for the Health Account Plan (HAP) or HDHP plans
- Establishing separate Deductibles and Out of Pocket Maximums for in-network versus out-of-network services
- Implement a standard list of preventive care services according to United States Preventative Services Task Force (USPSTF)
- Implement Kaiser and Anthem standard preventive listing for free drugs
- Raise Infertility coverage from \$7,000 Lifetime Maximum to \$25,000 Lifetime Maximum
- Raise Adoption Reimbursement from \$2,000 per adoption to \$25,000 per adoption
- Raise Company Paid Life Insurance from \$10,000 to \$50,000
- Raise Company Paid AD&D Coverage from \$10,000 to \$50,000
- Implement Free Preventive Care for Dental on base dental plan

In addition, effective January 1, 2027, for full-time and eligible Part-time employees, the employee medical premium cost share amount will increase to 10% of the cost for the HAP plan, or 7.5% of the cost for the HDHP plan.

## **Retiree Medical**

Effective January 1, 2027, PG&E will eliminate PG&E sponsored retiree major medical options and leverage the marketplace to provide access to more cost-effective health plans. The new arrangement will consist of a PG&E funded Retiree Health Reimbursement Arrangement (RHRA) account which will provide a yearly subsidy for Retirees and eligible spouses/domestic partners who participate in the PG&E Private Retiree Health exchange as follows:

- Funding level of \$15,000 each for Pre-Medicare eligible retirees and Pre-Medicare eligible spouse or domestic partner per year.
- Funding level of \$1,800 each for Medicare eligible retirees and Medicare eligible spouse or domestic partner per year.

## **Vacation**

Beginning January 1, 2027, the Vacation Allowance provisions contained within Section 8.2 have been amended to the following:

<b>EARNED ANNUAL VACATION</b>	
<b>SERVICE ANNIVERSARY YEAR</b>	<b>NUMBER OF VACATION DAYS (HOURS) EARNED</b>
<i>0 – 8 Years</i>	<i>15 days / 120 hours</i>
<i>9 – 18 Years</i>	<i>20 days / 160 hours</i>
<i>19 - 28 Years</i>	<i>25 days / 200 hours</i>
<i>29 or more years</i>	<i>30 days / 240 hours</i>

Effective January 1, 2028, employees who reach their maximum accrual (two times their annual allotment) will stop accruing vacation until they are below their maximum accrual cap. Further, employees will be provided with information to monitor their vacation allotment and a procedure on how to submit vacation requests (outside the normal vacation scheduling process) prior to reaching the accrual cap of two times the annual limit.

## **Technology**

Effective the first pay period following the ratification date of the agreement, the parties agree the Company shall notify the Union prior to implementing any new technology or tool that will have a material impact on work normally performed by IBEW 1245 bargaining unit members and agree to bargain in good faith over the effects of its decision to use or implement new tools or technology.

## **Post Bargaining Ad Hoc Committees**

In addition to Job Bidding and Meals, the parties agree to convene Ad Hoc committees as referenced in Attachment A which include:

- Benefits Agreement Review
- Update to Exhibit A including Job Definitions and Lines of Progression already agreed to and contained within Attachment A.

## **Joint Oversight Committee of CBA Implementation**

The parties agree to establish a CBA Implementation Oversight committee to help prevent grievances that commonly occur after new language is put into process.

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

- A. Clerical Agreement Amendments
- B. Benefits Agreement

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

PACIFIC GAS & ELECTRIC COMPANY

By: \_\_\_\_\_  
Matt Levy  
Senior Director, Labor Relations

The Union is in agreement.

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

Date \_\_\_\_\_, 2026

By: \_\_\_\_\_  
Bob Dean  
Business Manager

## **Attachment A**

### **Agreed to Ad Hoc Committees**

#### **Benefits Agreement Review**

Ensure that the Benefits Agreements are updated and consolidated to include terms and provisions from the 2026 negotiations.

#### **Benefits - Active Medical Enhancements**

To discuss the potential of introducing a new Narrow Network Medical Plan as well as the “Centers of Excellence” for employees covered by Anthem.

## TITLE 4. UNION SECURITY

### 4.3 CHECKOFF OF DUES

Company shall deduct from wages, and pay over to the ~~proper~~ **designated** officers of Union, the membership dues of any member of Union or agency fees of any other employee as provided for in Subsection 4.1(a) who individually and voluntarily authorizes such deductions in writing. The form of checkoff authorization shall be approved by Company and Union.

***The Company shall remit all dues to the Union no later than the fifteenth (15th) day of the month following the month in which the deductions were made. (Amended XX-XX-26)***

## TITLE 6. LEAVE OF ABSENCE

### 6.1 ELIGIBILITY

"Leave of absence" **with or** without **hourly or monthly** 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)~~ **Employees are entitled to apply for a leave of absence but may alternately use paid sick leave as available, subject to the provision set forth in Title 7. Employees are considered to be on leave of absence once the leave is approved by the Company's leave administrator. (Amended XX-XX-XX)**

**Many provisions of the agreement may be affected by a leave of absence. For contractual purposes other than this title, unless otherwise specified, the employee will be considered to be on an approved leave of absence when the leave of absence is greater than ten consecutive work days (this includes but is not limited to Wage Progression, Positive Discipline, etcetera). (Added XX-XX-XX)**

In addition to the provisions of this Title, it is the intent of the parties to ~~include~~ **provide all employees** leave benefits as mandated by ~~state and federal law~~ Federal, State and Local law, including the California Family Rights Act of 1991, the California Pregnancy Disability Leave, and the Federal Family and Medical Leave Act of 1993. Leaves **provided** under ~~state and federal~~ **Federal, State and Local** law shall not exceed the time provided under the applicable statute and will not be extended as a leave under 6.2 under any circumstance. **(Amended XX-XX-XX)**

**Leaves of absence provided in this title that are not required by law will run concurrently with and do not extend the maximum period of leave to which the employee may be entitled to under the applicable statutory leaves. Employees on an approved leave of absence may receive pay through paid sick leave, vacation, floating holidays, banked Paid Company Holiday, California State Disability and/or the Company Voluntary Plan. (Added XX-XX-XX)**

~~Effective 1/1/18, a~~ **A** regular employee who is absent and approved under the Voluntary Disability Insurance Plan or Voluntary Paid Family Leave Plan shall concurrently be on an authorized "leave of absence" in accordance with 6.2. **(Amended XX-XX-XX)**

~~All leave time 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 1-1-16)~~

### 6.2 PERIODS DURATION AND TYPES OF LEAVE

The Company may grant a "leave of absence" **with or** without pay to a regular employee for a period not in excess of six consecutive months. It may grant an additional "leave of absence" **with or** 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 6.6 and 6.8, **or 6.2(a)** a "leave of absence" will not be granted which, together with the last "leave" or "leaves" granted, will exceed twelve consecutive months. **(Amended XX-XX-XX)**

**(a) Company Medical Leave: A Company Medical Leave (CML) of Absence with or without pay may be granted to eligible regular-status employees who are unable to work due to illness or injury. A CML will not exceed twelve consecutive months unless an exception is granted by the Company. The CML will terminate when the LTD waiting period has been met. If the employee's CML has ended and they've applied for LTD, additional CML will be granted during the LTD adjudication period. (Added X-X-XX)**

**(b)** Child Care Leave: A regular employee who has become a parent by the birth or adoption of a child, or 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. ~~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 1-1-16)~~ **The employee, at their option, may utilize other paid time off (vacation, floating holiday, paid holiday) or wage replacement benefits available to them for an approved Child Care Leave. Applicable statutory leaves and/or leave under the Company Paid Family Leave policy will run concurrently with Child Care leave. (Amended XX-XX-XX)**

An employee shall be entitled to an additional "leave of absence" for a period not in excess of **an additional** 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. **(Amended XX-XX-XX)**

**(c)** If an employee has become a legal guardian the Company may, at its discretion, grant a "leave of absence" pursuant 6.1 above **and/or a child care leave pursuant to Section 6.2(b) (Amended XX-XX-XX)**

### **6.3 COMMENCE AND END**

A "leave" shall commence on ~~and include the first workday on which~~ **start date requested by** the employee is absent without pay, ~~and terminate with and include~~ **and certified by the Company Leave Administrator. The leave will end** the workday preceding the day such employee returns to work. ~~The conditions under which an employee shall be restored to employment on the termination of the employee's "leave of absence" shall be clearly stated on the form on which application for the "leave" is made. (Amended XX-XX-XX)~~

### **6.4 STATUS**

An employee's status as a regular employee shall not be impaired by a "leave of absence."

### **6.5 TERMINATION OF SERVICE**

If an employee fails to return immediately on the expiration of the employee's "leave of absence," or if such employee accepts other employment while on "leave," except as provided in Section 6.6, or if such employee makes application for unemployment benefits under the California Unemployment Insurance Act while on "leave," such employee shall thereby forfeit the "leave of absence," and terminate Service with Company, **except where otherwise required by Federal, State, or Local law. (Amended XX-XX-XX)**

### **6.6 UNION LEAVE OF ABSENCE**

Subject to the provisions of Section 6.1 **and Letter Agreement 15-21**, Company shall at request of Union grant a "leave of absence" without pay to any employee for the purpose of engaging in Union business. An employee who has returned to work for Company following an absence on "leave" for Union business in excess of six months shall not be granted another such "leave" until such employee has worked for a period equivalent to the time of the last continuous absence on "leave" for Union business. (Amended 3-29-21)

### **6.7 RETURN FROM UNION LEAVE OF ABSENCE**

Unless an employee who is on "leave of absence" for Union business notifies Company that he/she will return to work at the end of the first six months of such absence, such employee's job shall be considered as vacant, and Company may fill it as provided in Title 205 in the case of a Division job, or as provided in Title 305 in the case of a General Construction job. When such employee returns to employment after an absence in excess of six months, such employee shall be employed in his/her former Bidding Unit or Department and former classification subject to the following: (Amended 1-1-91)

(a) Such employee may elect to displace another employee, or, if Company offers an assignment to a job vacancy on which another employee with longer Service does not have a prebid, the employee may elect to accept it. (Amended 1-1-91)

(b) If such employee accepts such assignment, the location of such job shall thereupon become the regular headquarters. If there is no vacancy to which the employee can be assigned or elects not to accept an assignment to an existing job vacancy, placement in the Company shall be governed by Title 206 or Title 306, whichever is applicable. (Amended 1-1-91)

(c) If the employee is a Division employee and elects to displace another employee, such employee shall displace that employee in his/her former Bidding Unit or Department and classification who entered such classification during the period of the "leave of absence" and who has the least Service. If such displacement cannot be effected, the employee shall displace that employee in such Bidding Unit or Department and classification who has the least Service, except that the employee may not displace an employee whose Service is equal to or exceeds his/her own. If the last mentioned displacement cannot be effected, placement in the Company shall be governed by Title 206, and the job headquarters shall be the same as it was when the "leave of absence" was granted. (Amended 1-1-91)

(d) If he/she is an employee of General Construction and elects to displace another employee, he/she shall displace that employee in his/her classification and department of General Construction within his/her former promotion and demotion area who has the least Service, except that the employee may not displace an employee whose Service is equal to or exceeds his/her own. If this displacement cannot be effected, placement in the Company shall be governed by Title 306. (Amended 1-1-91)

## 6.8 MILITARY LEAVE OF ABSENCE

An employee who ~~leaves employment with Company to~~ enters the military service or other service where reemployment rights are protected by law will be granted a "leave of absence" ~~under the provisions of Sections 6.1 to 6.5, inclusive. Upon qualifying for reemployment under any such law, and being reemployed the employee will be granted a further retroactive "leave of absence" to cover the balance of the absence.~~ (Amended 1-1-91) **consistent with law.** (Amended XX-XX-XX)

Eligible employees who engage in military service or who are eligible family members of military personnel are entitled to time off consistent with federal and state law. (Added 1-1-09)

## 6.9 FUNERAL BEREAVEMENT LEAVE

(a) A regular employee will be granted ~~up to three days off with pay if a member of~~ **provided bereavement leave for the death of immediate family dies members in accordance with State law, which is currently five days. The first three of those covered working days will be paid. Employees may choose to use** ~~Unused vacation, or floating holidays, and/or sick leave for the additional two days of bereavement leave.~~ **may be granted to extend an employee's funeral leave beyond the three days provided for above or personal time off without pay for the time needed will be granted.** The immediate family shall be limited to: an employee's spouse or employee's registered domestic partner, parent, grandparent, grandparent-in-law or grandparent of employee's registered domestic partner, parent-in-law or parent of employee's registered domestic partner, child or child of employee's registered domestic partner, grandchild, son-in-law, daughter-in-law, stepchild, brothers, sisters, half-brothers and half-sisters, step-brothers, step-sisters, foster parents, step-parents, aunts, uncles, **nieces, nephews** or an individual who was a member of the employee's immediate household at the time of death. (Amended XX-XX-XX)

(b) Consistent with the Company's operational needs, a regular employee may be granted the time off with pay necessary to attend the funerals of other persons the employee may be reasonably deemed to owe respect, but not to exceed one day.

(c) Employees who have not attained regular status, **Part Time, Intermittent, Temporary Additional, and Hiring Hall employees** will be allowed time off ~~without pay~~ as provided for in (a) and (b) above. **Such time off will be**

***without pay, however, employees may choose to use vacation, floating holidays, and/or sick leave for days off covered by Section 6.9 (a). (Amended XX-XX-XX)***

#### **6.10 JURY DUTY**

Employees who are summoned to serve on a grand jury, trial jury, or a jury of inquest will be granted the necessary time off for this purpose under the following conditions:

(a) Regular employees will be allowed the necessary time off with pay for jury duty which occurs within their scheduled working hours during the basic workweek. Such employees assigned to a third shift shall be rescheduled to a first shift during such a period of time at the straight rate of pay, and such employees assigned to a second shift who are required to report to the jury commissioner on a second consecutive workday or more shall be rescheduled to a first shift on a Monday-Friday basic workweek during such a period of time at the straight rate of pay. Such employees will be paid at their basic rate of pay. In the application of other provisions of this Agreement, such time off with pay for jury duty will be considered as time worked and, if dismissed by the court on any workday before the end of the employee's regular work hours, such employee shall return to work provided such dismissal occurs at least two hours before the conclusion of such hours of work. (Amended 1-1-88)

(b) Employees who have not attained regular status will be allowed time off without pay subject to the other provisions of (a) above, ***but may choose to use their available unused vacation, floating holidays or sick leave (Amended XX-XX-XX)***

(c) Employees shall advise their supervisor on the workday following receipt of notice that they are required to report for jury duty service. The employee may be required to provide receipt of such notice to their supervisor. (Amended 1-1-88)

#### **6.11 WITNESSES**

Regular employees will be given the necessary time off to appear as a witness in administrative, civil or criminal cases under the following conditions:

(a) Employees who are required to appear as witnesses on behalf of Company will be treated with respect to the provisions of this Agreement as though they were employed in their customary work.

(b) Employees who are subpoenaed to appear in litigation in which Company has no interest and is not a party, but nonetheless involves an employee's presence as to matters arising out of and in the course of their employment with Company will be paid at their regular straight-time rate of pay for the time required to appear or testify (but not more than eight hours in any one normal workday), less any remuneration they are entitled to by law except that travel and other expenses for which they are reimbursed which are not subject to income tax will not be included when computing such remuneration.

(c) Following dismissal of the employee-witness by the court or administrative agency on any workday before the end of the employee's regular work hours, the employee shall return to work provided such dismissal occurs at least two hours before the conclusion of such hours of work. (Amended 1-1-91)

(d) In all other instances, an employee who has been subpoenaed as a witness in any matter not provided for above will be excused from work, without pay, for the time necessary for such administrative or court appearance.

#### **6.12 ADOPTION**

Regular employees will be allowed up to 8 hours of time off with pay (as necessary) for court appearances in connection with child adoption procedures. Such time may be taken in increments of one hour or more. (Amended 1-1-88.)

## TITLE 7. SICK LEAVE

### 7.1 QUALIFICATION AND RATE OF COMPENSATION

(a) After completing one year of Service and for each year of Service thereafter, a regular employee shall be allowed sick leave with pay for a total of 80 hours per calendar year. A regular part-time 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. ~~Employees with less than one year of service shall be eligible for California Paid Sick Leave as provided in Letter Agreement 21-08. (Amended 2-9-21)~~ **Employees may use sick leave for the care, preventative care, routine checkup, treatment, or diagnosis of a health condition (e.g. physical health, mental health) or any other purpose for which the employee is entitled to use sick leave under Local, State, or Federal Law. The use of sick leave does not constitute a Leave of Absence (LOA). If the reason for an employee's use of sick leave also qualifies for a LOA under Title 6, the employee may apply for a LOA. Any such LOA must be certified by the Company or the Company's Leave Administrator as required under Title 6. (Amended XX-XX-26)**

(b) **Employees not covered under Section 7.1(a) (e.g. Employees in the following Subgroups: Regular employees with less than one year of service, Intermittent employees with less than one year of service, Probationary, Casual, Probationary Temporary Additional, Summer Hire, Probationary Intermittent, Outage, Temporary Additional, Hiring Hall) shall receive 40 hours or 5 days (whichever is greater) of sick leave with pay upon employment. Such employees must be employed for at least 90 cumulative days within a twelve-month period before being able to use any sick leave. Such sick leave not utilized by the end of each calendar year shall be forfeited. At the beginning of each calendar year, employees will be provided with 40 hours or 5 days (whichever is greater) of sick leave with pay. Employees are limited to using a maximum of 40 hours or 5 days (whichever is greater) of sick leave per calendar year. Such sick leave not utilized will be forfeited upon termination of employment. Employees who are rehired into the same Subgroup, transfer to a different Subgroup, or are rehired into a different employee Subgroup but who still do not qualify for sick leave under 7.1(a), will retain their existing balance of sick leave for use throughout the remainder of that calendar year. After qualifying for sick leave under 7.1(a), employees will have their sick leave entitlements governed by that section in addition to Sections 7.2, 7.3 or 7.4 below. The use of sick leave does not constitute a Leave of Absence (LOA). If the reason for an employee's use of sick leave also qualifies for a LOA under Title 6, the employee may apply for a LOA. Any such LOA must be certified by the Company or the Company's Leave Administrator as required under Title 6. (Added XX-XX-26)**

### 7.2 ACCUMULATION

A regular employee, in addition to the annual sick leave allowed under the provisions of Section 7.1, 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)

### 7.3 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.

#### **7.4 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 7.3 shall, upon exhausting such additional sick leave as provided in Section 7.3, 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.

7.5 (Deleted 1-1-09)

#### **7.6 SICK LEAVE HOURLY INCREMENTS**

Sick leave shall be charged by the hour with no charge made for increments of less than one hour. Such time off as that allowed for an ~~employee's personal~~ medical and dental appointments shall be charged as sick leave. **(Amended XX-XX-XX)**

#### **7.7 HOLIDAYS**

If a holiday occurs on a workday during the time an **eligible** employee is absent on sick leave with pay, the employee shall receive pay for the holiday as such; and it shall not be counted as a day of sick leave. (Amended 4-1-91-~~XX-XX-XX~~)

#### **7.8 ABUSE**

***Where the Company has reasonable suspicion to believe sick leave is being used by an employee for a reason other than those authorized under Sections 7.1 or 7.16, the Company may require satisfactory evidence that the stated reason for the sick leave was not unauthorized or based on intentional misrepresentation (without requiring disclosure of any medical condition). Nothing in this section shall create a presumption that the use of sick leave constitutes abuse. Additionally, if an employee does not have sufficient sick leave to cover an absence, the Company may require satisfactory evidence the absence was for a purpose listed in Section 7.1 or 7.16 (without requiring disclosure of any medical condition).***

~~Company may require satisfactory evidence of an employee's illness or disability before sick leave will be granted. If an employee abuses the sick leave provisions of this Agreement by misrepresentation or falsification, the employee shall restore to Company all 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 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 9.6. (Amended 1-1-88-XX-XX-26)~~

#### **7.9 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 sick leave to which the employee would be entitled under the provisions of Sections 7.1, 7.2, 7.3, and 7.4. (Amended 1-1-91)

#### **7.10 PLACEMENT OF PARTIALLY DISABLED EMPLOYEES**

(a) Except as provided in Section 23.2, 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) In the event an employee is disabled due to injury or illness, is not returning from Long-Term Disability Plan IV 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: (Effective 1-1-18)

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

(2) 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

(3) If the employee has **greater than ten or more and less than twenty-five (25)** years of service at the time of his or her disability: **and is returned to a different position that is at a lower rate than their pre-disability rate of pay, the employee will maintain their pre-disability rate of pay for up to five (5) years or until such time as the rate of pay in the new position is equal to or greater than that of the employee's frozen rate of pay, whichever comes first. If at the end of five (5) years, an employee is still paid above the top of the rate for the classification held, the employee will be placed at the top of the rate for that classification. Such employee will receive no general wage increases (GWI) unless and until such time as the new wage rate for the new position exceeds the prior position's wage protected rate.** 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 classification immediately prior to the injury or illness which caused the employee's disability.

(4) **If the employee has twenty-five (25) years of service or greater at the time of his or her disability, and is returned to a different position that is at a lower rate than their pre-disability rate of pay, the employee will maintain their pre-disability rate of pay until such time as the rate of pay in the new position is equal to or greater than that of the employee's frozen rate of pay Such employee will receive no general wage increases (GWI) unless and until such time as the new wage rate for the new position exceeds the prior position's wage protected rate.** 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) (Amended XX-XX-XX)~~

(c) 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 Section 19.9 of the Clerical Agreement. (Amended 1-1-91)

(d) In the event the employee is returned from Long Term Disability Plan IV to a different position that is at a lower than their pre-disability rate of pay, the employee will receive full wage protection for up to five (5) years but will receive no General Wage Increases (GWIs), unless and until such time as the new wage rate for the new position exceeds the prior position's wage protected rate. (Effective 1-1-18)

7.11 (Deleted 1-1-97)

7.12 (Deleted 1-1-97)

7.13 TIME CARD UPGRADE

The 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 1-1-91)

#### 7.14 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 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 1-1-91)

#### 7.15 RETURN FROM LTD

By written agreement between the Company and the Union 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.

#### 7.16 ~~USE OF FAMILY SICK LEAVE FOR FAMILY OR CRIME VICTIMS~~ (Added 1-1-00) (Amended XX-XX-26)

(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 **or 5 days (whichever is greater)** in the calendar year, **for the care, , preventative care, routine checkup, treatment, or diagnosis of a health condition of a family member of the employee or, if the employee or their family member is a victim of an act of violence covered by California Government Code section 12945.8, for the purposes set forth in section 12945.8 ("Family or Victim Purposes"). The company reserves the right to ask for certification of the Victim Purposes as allowed by law.** ~~to attend to an illness of a family member of the employee in accordance with California Sick Leave law.~~

(b) A regular part-time or a regular intermittent employee may take up to one-half of their annual current sick leave hours allotment to attend to an illness of a family member of the employee in accordance with California Sick Leave law **or for Family or Victim Purposes.**

(c) An employee who has not attained regular status *or has attained regular status and is within the first year of employment* is entitled to use their sick leave provided **under Section 7.1(b) for Family or Victim Purposes.** ~~for in accordance with Letter Agreement 21-08 for family members in accordance with California Sick Leave law. (Amended 2-9-21)~~

(d) In the calendar year in which a regular full time employee has qualified for additional sick leave under Section 7.3 and each succeeding calendar year it is renewed, the employee shall be permitted to use up to 80 hours **of the additional sick leave** in the calendar year, to attend to an illness of a family member of the employee in accordance with California Sick Leave law **or for Family or Victim Purposes.** In the calendar year in which a regular full time employee has qualified for additional sick leave under Section 7.4 and each succeeding year it is renewed, the employee shall be permitted to use up to 160 hours **of the addition sick leave** in the calendar year, to attend to an illness of a family member of the employee in accordance with California Sick Leave law **or for Family or Victim Purposes.** A regular part-time employee, who has qualified for additional sick leave under Sections 7.3 and 7.4, may take up to one-half of the additional sick leave hours awarded to attend to an illness of a family member of the employee in accordance with California Sick Leave law **or for Family or Victim Purposes.** (Amended 1-1-16 **XX-XX-26**)

(e) All conditions and restrictions that apply to an employee's use of sick leave for his or her own illness shall apply to sick leave usage to attend to an illness of family member of the employee in accordance with California Sick Leave law under this section. (Amended 1-1-16)

(f) 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.

## TITLE 8. VACATIONS

### 8.1 DEFINITIONS

- (a) **Eligibility:** The provisions of this Title apply only to regular employees.
- (b) **A Regular Employee** is an employee who has fulfilled the applicable requirements of Section 17.5 of this Agreement.
- (c) **Earned Vacation Allowance** is the number of paid vacation hours which an employee ~~has earned~~ **may accrue** in ~~the a~~ a 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~~ **accrue** more vacation hours than twice their annual accrual rate in their vacation **allowance provided in Section 8.2.** ~~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 4-1-09 XX-XX-XX)~~

**1. From January 1, 2026, to December 31, 2027, employees will accrue vacation in accordance with the schedule outlined in Title 8.2(b) even if that accrual exceeds the maximum number of paid vacation hours allowed above (twice their annual accrual rate). Effective January 1, 2028, employees may no longer accrue vacation in excess of the maximum allowed accrual rate and will be subject to twice their annual rate accrual limit. For 2027, excess vacation hours exceeding the maximum accrual rate will be paid by the end of February 2028 based on the excess vacation as of December 31, 2027. No other excess vacation will be paid unless in accordance with Section 8.1(4)(a).**

**2. Vacation hours are accrued each pay period per Section 8.2. The vacation accrued in a pay period is calculated by multiplying the employee's straight time hours by the appropriate vacation accrual rate based on the employee's length of service.**

**3. Accrued vacation hours are shown as whole hours on each pay statement. If an employee accrues a fractional hour in a pay period, then the fractional hour carries over to the next pay period until one hour is accrued and reflected on the employee's pay statement.**

**Straight time includes but it is not limited to the statuses listed below:**

- **Vacation**
- **Sick and Family Sick Leave**
- **Paid Holidays**
- **Training**
- **Jury/Witness Duty**
- **Bereavement Leave**
- **Floating Holiday**
- **Rest Periods**
- **Time off with permission with pay (paid admin leave)**
- **Time off with Permission without Pay (i.e. T-Time)**
- **Workers' Compensation**
- **First 10 days of Short-Term Disability**

**4. The maximum allowed accrued vacation (accrual cap) is equal to twice the annual accrual rate for an employee. It is the employee's responsibility to monitor, request and use vacation to avoid reaching the accrual cap. Beginning January 1, 2028, employees may request vacation to avoid exceeding their accrual cap by following one of the two options below. This Section does not replace the Vacation Scheduling process delineated in Section 8.13. Company**

**will make vacation accrual information available to employees electronically (i.e., currently PGE@Work for Me) and will send email notifications at the end of each quarter which will include the employee's current vacation accrual balance.**

- a. Submit a written request for vacation to the Company at least 60 days prior to reaching the accrual cap. Absent operational needs, the Company will accommodate employee preferences for vacation requests. If the Company denies the employee's requested vacation dates and the employee and Company cannot agree on alternative vacation dates within the 60-day period requested by the employee, the Company will pay the employee the amount of vacation requested, not to exceed 80 hours. Any approved vacation payout will be paid at the current rate of pay when the vacation request was not approved. An employee may only receive the option provided in this paragraph once every twelve (12) months from the last date the employee's vacation was approved or paid out, whichever is later.**
- b. Employees who do not make a 60-day written request, are granted their vacation request per (4)(a) above, or received a vacation payout per (4)(a) above in the prior twelve (12) month period, may still request vacation to avoid the accrual cap. Absent operational needs, the Company will accommodate employee preferences for vacation requests. If the Company denies the employee's requested vacation dates and the employee and Company cannot agree on alternative vacation dates, the employee will not be eligible for a payout option and will cease accruing vacation hours once the accrual cap is reached. The employee may continue to request vacation and will resume accruing vacation once their vacation balance drops below the accrual cap.**

**5. Notes regarding the Vacation Accrual Cap:**

- Floating Holiday conversions at the beginning of the year (Section 103.3) may temporarily cause an employee's balance to exceed the accrual cap. In this circumstance, the overall cap will increase only by the number of floating holiday hours credited to the employee's vacation balance. The employee will not accrue additional vacation hours until their balance falls back below the accrual cap.**
- Holiday in-lieu hours (Section 14.6) and Vacation Bonus hours (Section 8.3 and LA 07-44) are not included in an employee's vacation balance and therefore do not affect the vacation accrual cap.**
- Employees must use any Holiday-In-Lieu hours (Section 14.6) or Vacation Bonus hours (Section 8.3) before utilizing Vacation hours.**

**8.2 VACATION ALLOWANCE**

(a) Employees in their first year of Service, accrue vacation on paid straight time hours at the rate of ~~80~~ **120** hours per year. A regular employee shall be entitled to take vacation with pay accrued in accordance with the table in Subsection 8.2(b). (Amended ~~7-25-12~~ **XX-XX-XX**)

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

<b>EARNED ANNUAL VACATION</b>	
<b>SERVICE ANNIVERSARY YEAR</b>	<b>NUMBER OF VACATION DAYS (HOURS) EARNED</b>
Up to 1 Year	1-10 days (0 to 80 hours)
1-4 Years	10 days / 80 hours
5-14 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

<b>EARNED ANNUAL VACATION</b>	
<b>SERVICE ANNIVERSARY YEAR</b>	<b>NUMBER OF VACATION DAYS (HOURS) EARNED</b>
0-8 Years	15 days / 120 hours
9-18 Years	20 days / 160 hours
19-28 Years	25 days / 200 hours
29 or more years	30 days / 240 hours

(Amended 1-1-09 ~~XX-XX-XX~~)

- (c) (Deleted 1-1-91)
- (d) (Deleted 1-1-91)
- (e) (Deleted 1-1-91)
- (f) (Deleted 1-1-91)

### 8.3 BONUS AND SERVICE ANNIVERSARY VACATION (Amended XX-XX-26)

(a) **NOTE: This section will apply in 2026 only. Employees earning a fifth year bonus vacation week under this section as of 1/1/2027, will get their bonus week awarded in the first pay period in January 2027. This section will expire after application of the above.** In the fifth calendar year following his/her employment date and in each fifth calendar year thereafter, Company shall grant each employee a service anniversary vacation of 40 hours. A service anniversary vacation shall be in addition to the annual vacation allowance set forth in Section 8.2 above to which the employee may be otherwise entitled in that calendar year and the employee acquires no right as to all or any part of the service anniversary vacation unless the employee works in the calendar year in which it is granted. The service anniversary vacation, as herein provided, vests on the first day of each calendar year in which an employee qualifies for a service anniversary vacation. (The provisions of this Section shall not apply to part-time or intermittent employees.) (Amended ~~XX-XX-26~~ 25-12)

(b) In each of the first five calendar years following his/her employment date, an employee who has used 40 hours or less of paid or unpaid sick leave in the preceding year shall be entitled to 8 hours of bonus vacation in addition to any vacation allowance the employee is entitled to as set forth in Section 8.2. An employee must complete one year of Service before becoming qualified for such hours. In the tenth calendar year following an employee's employment date and in each fifth calendar year thereafter, an employee who has used 200 hours or less of sick leave during the five preceding calendar years shall be entitled to 40 bonus hours of vacation in addition to the vacation allowance the employee is entitled to as set forth in Section 8.2. In determining the number of sick hours used in computing 200 hours or less, no more than 80 hours will be charged to the employee in any one year. The bonus vacation, as herein provided, vests on the first day of each year in which an employee qualifies for a bonus vacation. An employee acquires no right to all or any part of the bonus vacation unless such employee works in the calendar year in which it is granted. (The provisions of this Section shall not apply to part-time or intermittent employees.) (Amended 7-25-12)

- (c) **In the twenty-fifth calendar year following their employment date and in each fifth calendar year**

**thereafter, the Company shall grant each employee a Service anniversary vacation of five workdays. A Service anniversary vacation shall be in addition to the annual vacation allowance set forth in Section 8.2 above to which the employee may be otherwise entitled in that calendar year, and they acquire no right as to all or any part of the Service anniversary vacation unless they work in the calendar year in which it is granted. The Service anniversary vacation, as herein provided, vests on the first day of each calendar year in which an employee qualifies for a Service anniversary vacation. The provisions of this Section shall not apply to part-time or intermittent employees (Added X-XX- XXXX)**

(d) **NOTE: This section will apply in 2026 only. Employees earning a fifth year bonus vacation week under this section as of 1/1/2027, will get their bonus week awarded in the first pay period in January 2027. This section will expire after application of the above.** In the fifth calendar year following his/her employment date and in each fifth calendar year thereafter, Company shall grant each part-time employee a service anniversary vacation of 32 hours. A service anniversary vacation shall be in addition to the annual vacation allowance set forth in Section 8.2 above to which the employee may otherwise be entitled in that calendar year and the employee acquires no right as to all or any part of the service anniversary vacation unless the employee works in the calendar year in which it is granted. The service anniversary vacation, as herein provided, vests on the first day of each calendar year in which an employee qualifies for a service anniversary vacation. (The provisions of this Section shall not apply to intermittent employees.) (Added ~~XX-XX-26~~ 1-1-11)

~~(e) In each of the first five calendar years following his/her employment date, part-time employees who have used 32 hours or less of paid or unpaid sick leave in the preceding year shall be entitled to eight hours of bonus vacation in addition to any vacation allowance the employee is entitled to as set forth in Section 8.2. An employee must complete one year of Service before becoming qualified for such hours. In the tenth calendar year following a part-time employee's employment date and in each fifth calendar year thereafter an employee who has used 160 hours or less of sick leave during the five preceding calendar years shall be entitled to 32 bonus hours of vacation in addition to the vacation allowance the employee is entitled to as set forth in Section 8.2. In determining the number of sick hours used in computing 160 hours or less, no more than 64 hours for part-time employees will be charged to the employee in any one year. The bonus vacation, as herein provided, vests on the first day of each year in which an employee qualifies for a bonus. An employee acquires no right to all or any part of the bonus vacation unless such employee works in the calendar year in which it is granted. (The provisions of this Section shall not apply to intermittent employees.) (Added 1-1-11)~~

#### **8.4 PART-TIME AND INTERMITTENT REGULAR EMPLOYEES**

A regular part-time or intermittent employee shall earn an annual vacation allowance as determined in the foregoing Section 8.2, 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 1-1-91)

#### **8.5 FORFEITURE OF VACATION VACATION ACCRUAL DURING ASENCE OR LAYOFF**

(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 **not covered in Section 8.1(c)3**, 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 ~~4-1-09~~ **XX-XX-XX**)

(b) 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 8.2. (Amended 1-1-09)

(c) (Deleted 1-1-09)

(d) The provisions of this Section do not apply to part-time employees.

## **8.12 ~~STARTING DAY VACATION INCREMENTS (Entire Section Amended XX-XX-XX)~~**

~~For the purposes set forth in the following Section 111.13, vacation shall be scheduled in increments of one week or more to commence on Monday, except for an employee whose basic workweek starts on a day of the week other than Monday, where the vacation shall commence with the starting day of the employee's basic workweek. However, by prior arrangement with the employee's supervisor, an employee shall be allowed vacation in increments of one day or more on any day of the week, except where prohibited by operational needs or where necessary relief cannot be provided, or where the payment of overtime to another employee would be required.~~

**(a) *An employee shall be allowed vacation in increments of one-half day or more on any day of the week, except where prohibited by operational needs or where necessary relief cannot be provided, or where the payment of overtime to another employee would be required.***

**(b) *For the purposes set forth in Section 8.13 vacation in increments of one day or more may be scheduled.***

## **8.13 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 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.~~ ***In each round of sign-ups employees may sign-up to schedule their vacation in periods of one day or more. Employees may also schedule their Floating Holidays in accordance with the provisions of Section 14.3. (Amended XX-XX-XX)***

## 8.16 VOLUNTARY VACATION TRANSFERS

***Upon notification by the Company to the Union, employees may:***

***(a) ~~In accordance with Letter Agreement 17-09, employees may~~ Voluntarily sell vacation and transfer the proceeds to an employee experiencing a medical emergency, (including a medical condition of a family member), who has insufficient leave available to cover their absence from work. ~~In addition, and by local agreement between Company and Union, an employee may also sell vacation for the purpose of relieving personal financial difficulties experienced as a result of a medical emergency in his or her own family even though the employee may have paid leave available.~~ (Amended XX-XX-26)***

***(b) ~~In accordance with Letter Agreement 17-09 employees may~~ Voluntarily sell vacation and transfer the proceeds to an employee's estate upon the employee's death or to an employee upon the death of his/her spouse, registered domestic partner or child for the purpose of relieving personal financial difficulties experienced as a result of the death. (Amended XX-XX-26)***

***(c) Voluntarily sell vacation for the purpose of relieving personal financial difficulties experienced as a result of a medical emergency in his or her own family even though the employee may have paid leave available. (Amended XX-XX-26)***

## TITLE 11. PREMIUM PAY

### 11.7 SUNDAY PREMIUM

In addition to any other compensation due an employee, Company shall pay to all employees regularly scheduled to work on Sunday, and who in fact work on a Sunday, an hourly premium for such work equal to the premium paid by Company for the third shift as provided in Subsection 11.2(a) of the Agreement.

***An employee is due the Sunday Premium when working a Sunday which is part of that employee's regularly scheduled workweek. This would include situations where the Company has re-designated a shift or service employee's workweek resulting in a regularly scheduled Sunday worked at the straight time rate of pay. An employee is not due the Sunday Premium when working a Sunday which is not part of that employee's regularly scheduled workweek. This would include any situations where the employee is working a Sunday at the overtime rate. (Added 4-1-80—X-X-26)***

## TITLE 14. HOLIDAYS

### 14.1 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,

shall, except as provided in Section 14.7, 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)
<b>Juneteenth</b>	<b>(June 19)</b>
Independence Day	(July 4)
Labor Day	(1st Monday in September)
Veterans' Day	(November 11)
Thanksgiving Day	(4th Thursday in
November) Friday after Thanksgiving	(see 14.5
below)	
Christmas Day	(December
25) Three Floating Holidays	(see Section
14.3)	

(Amended 4-1-94 ~~XX-XX-26~~)

## TITLE 15. EXPENSES

### 15.3 INTERVIEWS

An employee, who at Company request, is required to travel for the purpose of attending an interview **for a job opportunity in a represented or non-represented position within the Company** shall be reimbursed by Company for all reasonable costs incurred, including travel time during regular work hours on a workday, transportation or mileage rates, and board and lodging. ~~when authorized in advance. If at all possible, interviews~~ **Interview** and travel time will be **authorized in advance by their supervisor during work hours and** scheduled on workdays during regular work hours **when possible**. (Amended X-X-26 1-1-80)

## TITLE 16. MEALS

### 16.1 INTENT

The provisions of this Title shall be interpreted and applied in a practical manner which shall conform to the intention of the parties in negotiating with respect to meals, namely, that a ~~comparable substitute~~ **meal option** shall be provided when employees are prevented from observing their usual and average meal practices or are prevented from eating a meal at approximately the usual time therefore. **(Amended XX-XX-XX)**

Average and usual meal practices for day employees are defined as: (Added 1-1-09)

Breakfast: ½ hour to 1 hour prior to regular work hours.

Lunch: non-workday lunch is same as workday lunch time period.

Dinner: Between 6:00 p.m. and 7:00 p.m.

As stated in Section 3.1 of this Agreement, Company is engaged in rendering public utility services to the public, and Union and Company recognize that there is an obligation on each party for the continuous rendition and availability of such services. Therefore, employees will be expected to exercise good judgment as to whether or not to obtain or delay the initial meal when called out for an emergency assignment to restore service to customers during an average and usual meal time. (Added 1-1-09)

### ~~16.2 MEALS REIMBURSEMENT AND TIME TAKEN~~

#### **MEALS EARNED ON PREARRANGED AND EMERGENCY OVERTIME – ALLOWANCES AND TIME TAKEN (Amended XX-XX-XX)**

~~(a) Company shall pay the cost of any meal which it is required to provide under this Title, and shall consider as hours worked the time necessarily taken to consume such meal, except, however, that when a meal is taken at Company expense following dismissal from work the time allowance therefor shall be one-half hour. If an employee who is entitled to a meal under the provisions of this Title prior to work, during or upon dismissal from work does not accept such meal the employee shall nevertheless be entitled to such time allowance of one-half hour for each meal missed and meal reimbursement as provided in (b) below. The foregoing shall not apply to an employee's regular lunch period. (Amended 1-1-91)~~

~~(b) At the employee's option, Company shall pay an allowance for any meal which it is required to provide in accordance with the following schedule:~~

~~1. Prior to reporting to work:~~

- |  |                    |
|--|--------------------|
| <del>(i) Meal nearest regular starting time</del>      | <del>\$15.00</del> |
| <del>(ii) Meal nearest midpoint of regular hours</del> | <del>\$15.00</del> |
| <del>(iii) Meal nearest regular quitting time</del>    | <del>\$20.00</del> |

~~2. Meal following dismissal from work \$20.00~~

~~3. Meal missed during a work period \$20.00~~

~~The allowance referred to above will be paid and taxed on regular bi-weekly paycheck pursuant to Section 13.2. Employees may designate the gross of these payments to a separate direct deposit account than their primary direct deposit account. Employees who receive a pay check may request a separate check for the gross of their In-Lieu meals. (Amended 1-1-09)~~

~~(c) "Regular hours, starting time, lunch period and quitting time" on a non-workday are the same as those of a workday. (Added 1-1-84)~~

**When an employee earns a meal on overtime, they are entitled to choose from one of the following options:**

(a) ***In-Lieu Meal: An in-lieu meal is an earned OT meal that the employee chooses not to observe. If an employee is entitled to a meal(s) under the provisions of this Title, prior to work during, or upon dismissal from work, and does not accept such meal(s), the employee shall nevertheless be entitled to such time allowance of one-half hour for each in-lieu meal. Such time allowance shall be paid at the rate of pay when the meal was earned. Additionally, a meal allowance of \$50 per in-lieu meal(s) shall also be paid. In this situation the time allowance for each in-lieu meal does not count towards rest period calculation.***

(b) ***Meal Taken: A meal taken is an earned OT meal that the employee observes during Work Hours. Company shall pay a meal allowance of \$50 for any meal(s) which it is required to provide under this Title. The time taken for the meal shall be considered as hours worked. However, not more than 60 minutes of time taken for the meal will count towards rest period calculation. The time taken for each meal begins upon arrival at a restaurant.***

(c) ***Meals Taken upon Dismissal from Work: When a meal is taken at Company expense following dismissal from work the time allowance therefore shall be one-half hour and the Company shall pay a meal allowance of \$50 for any meal which it is required to provide.***

(d) ***At the Company's option, sustenance may be provided to employees, pursuant to an agreement between the employee and Company, to continue working without leaving a worksite. In addition to the provided sustenance, the employee will also be entitled to a Meal In-Lieu (\$50 and ½ hour pay) in accordance with Section 16.2(a).***

(e) ***The foregoing provisions (a,b,c,d) shall not apply to an employee's regular lunch period on a regularly scheduled workday. The \$50 meal allowance referred to above will be paid and taxed on regular bi-weekly paycheck pursuant to Section 13.2. Employees may designate the gross of these payments to a separate direct deposit account than their primary direct deposit account. Employees who receive a paycheck may request a separate check for the gross of their In-Lieu meals.***

### **16.3 MEALS - WORK BEYOND QUITTING TIME**

(a) If Company requires an employee to perform work for more than one hour beyond regular work hours, it shall provide the employee with a meal approximately one hour after regular quitting time and with meals at intervals thereafter of approximately four hours but not more than five hours for as long as the employee continues such work. (Amended 1-1-91)

(b) A part-time employee who has performed work for more than one hour beyond the employee's regularly scheduled work period shall be entitled to a meal and the time in which to eat it at the straight rate of pay, up to one-half hour, upon dismissal provided the employee has performed work for five hours since reporting for work or the employee's last meal period. Work performed one hour beyond an eight-hour work period shall be compensated in accordance with (a) above. The provisions of Section 16.2 apply to part-time employees. (Amended 1-1-91)

(c) When a part-time employee is called to work in advance of his/her regular starting time, for training purposes, the employee's regular and usual meal practices shall prevail. (Amended 1-1-91)

### **16.4 MEALS - OUTSIDE REGULAR HOURS OR NON-WORKDAYS**

(a) When an employee, at the request of the supervisor in charge, is required to perform work on non-workdays during the hours established as the employee's work hours on workdays, the employee shall observe the lunch arrangement which prevails on his/her workdays. If such work continues after the employee's regular work hours, Company shall provide the employee with a meal in accordance with the provisions of Subsection 16.3(a) or (b), whichever is applicable. (Amended 1-1-91) If Company requires an employee to perform work on the employee's non-workday or workday wholly outside of the hours established as work hours on a workday, it shall, if possible, provide the employee with a meal at intervals of approximately four hours but not more than five hours for as long as such work

continues. (Amended 1-1-91)

(b) If Company requires an employee to perform work on workdays starting two hours or more before regular work hours and such employee continues to work into regular work hours, the employee shall provide for one meal on the job and Company shall provide other meals, as required by the duration of the work period, but if such work starts less than two hours before regular work hours, the usual meal arrangements shall prevail. (Amended 1-1-91)

(c) If in any of the foregoing cases, Company does not give an employee an opportunity to eat a breakfast or prepare a lunch before reporting for work, it shall provide such meal. The meals provided for in this Section shall be eaten at approximately the usual times therefor and the usual practice relating to lunch period on workdays shall prevail. (Amended 1-1-91)

#### **16.5 MEALS - REIMBURSEMENT AWAY FROM HEADQUARTERS**

(a) Other than as provided in Subsection (b), employees who leave from and return to their established headquarters the same day shall not be reimbursed for lunch expense.

(b) If an employee who works in an office is temporarily required to be away from such work location and is thereby prevented from following his/her usual lunch arrangement Company shall reimburse the employee for lunch expense if the employee had not been given notice of the temporary change prior to the close of the previous workday. (Amended 1-1-91)

#### **16.6 TIME INTERVALS**

In determining time intervals for the purpose of providing meals there shall not be included any time allowed for meals. (Added 1-1-09)

## TITLE 17. STATUS

### 17.1 EMPLOYMENT DATE

As used in this Agreement, "employment date" means the latest date on which an employee began a period of Service with Company.

### 17.2 COMPANY

As used in this Title, the term "Company" shall include:

Pacific Gas and Electric Company  
Standard Pacific Gas Line, Inc.  
Pacific Gas Transmission Company  
Alberta and Southern Gas Company  
Alberta Natural Gas Company  
Pacific Service Employees Association  
Alaska California LNG Company  
Calaska Energy Company  
Eureka Energy Company  
Gas Lines, Inc.  
Natural Gas Corporation  
Pacific Gas Marine Company  
Pacific Gas Terminal Company  
Pacific Transmission Supply Company  
PG&E Corporation

(Amended 1-1-09)

### 17.3 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 17.2 above, and as provided hereafter in Section 17.4. 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 6 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 pay or is entitled to receive benefits under the provisions of the Voluntary Disability Insurance Plan, Voluntary Paid Family Leave Plan, Wage Continuation Plan, a state disability plan, the Long-Term Disability Plan, or a Workers' Compensation Law, provided that the employee returns to active work with Company immediately following recovery from the illness or injury. (Effective 1-1-18)

(d) Absence for military service or service in the Merchant Marine so long as the employee returns to active work with the Company within the period during which the employee's reemployment rights are protected by law. (Amended 1-1-91)

(e) Absence for Union business pursuant to the provisions of Section 6.6.

If an employee fails to return to active work within the above time limits, for any reason except death or disability, Service shall be deemed terminated as of the expiration of the time limit. (Amended 1-1-91)

An employee who is rehired after a break in Service shall be treated as a new employee for all purposes, and Service and compensation before the break in Service shall not be recognized for any purpose under any provision of this Agreement. (Amended 1-1-91)

#### 17.4 ACQUISITIONS

In the acquisition of another company, the Service of the employees involved in such acquisition may be established by written agreement between Company and Union.

#### 17.5 ~~EMPLOYEE REGULAR STATUS~~ (Amended XX-XX-26)

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

(b) New employees shall be hired as probationary employees at a 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. **Probationary employees shall be eligible for time off provisions as provided for in Letter Agreement 21-08 Titles 6 and 7. Probationary employees will be entitled to Company Holidays under Section 14.1 upon hire.** (Amended 2-9-21-XX-XX-XX)

(c) *To attain the status of a regular employee, a probationary employee is required to complete a six- month Uninterrupted period of Service. Notwithstanding the provisions of Section 17.3 above, "Uninterrupted" means interrupted by no more than a cumulative total of 30 days of absence due to (1) layoff, (2) sickness or disability, or (3) any other reason. Upon completion of an Uninterrupted period of Service, the probationary employee shall be given the status of a regular employee. ~~—a definite job classification, and placed on a weekly rate.~~ **A regular employee who has completed less than one year of Service (inclusive of the 6 month probationary time) extended by layoffs or absences of 30 consecutive days or more, may be terminated for unsuitability without recourse to the grievance procedure.** (Amended XX-XX-XX)*

(d) *Time-off that is statutorily protected by local, state, or federal law shall not count as a day of "absence" for purposes of ~~Section 17.5(c) the prior sentence.~~ However, if a probationary employee accumulates more than a cumulative total of 30 days of time-off for such protected leaves before the completion of the Uninterrupted period, the required length of the Uninterrupted period of Service will be extended by the length of the protected leaves.* (Amended ~~XX-XX-26~~ 9-13-2021)

(e) *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.*

(f) **Status of Employee Comparative Chart**

<b>Applicable contract section</b>	<b>Probationary Employee (0-6 Month)</b>	<b>Regular Status (6-12 months)</b>	<b>Regular Status (&gt;12 months)</b>	<b>Applicable Clerical contract section</b>
<b>Demotion, Displacement, and Layoff</b>	<b>NO</b>	<b>NO</b>	<b>YES</b>	<b>Title 19</b>
<b>Floating Holiday</b>	<b>NO</b>	<b>YES</b>	<b>YES</b>	<b>Section 14.3</b>
<b>Vacation</b>	<b>NO</b>	<b>YES</b>	<b>YES</b>	<b>Title 8</b>
<b>Bidding and Transfers</b>	<b>NO</b>	<b>YES</b>	<b>YES</b>	<b>Title 18</b>
<b>Sick Leave</b>	<b>NO</b>	<b>NO</b>	<b>YES</b>	<b>Title 7 all sections</b>
<b>Company Holidays</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>Section 14.1</b>
<b>Sick Leave for Probationary Employees</b>	<b>YES</b>	<b>YES</b>	<b>NO</b>	<b>Section 7.1B and other applicable sections</b>
<b>Release for Unsuitability</b>	<b>YES</b>	<b>YES</b>	<b>NO</b>	<b>Section 17.3</b>

**17.6 PART-TIME EMPLOYMENT**

(a) A part-time employee is any employee whose regularly scheduled workweek is 35 hours or less. Part-time employees 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. **Regular Part-Time employees who have completed less than one year of Service extended by layoffs or absences of 30 consecutive days or more, may be terminated for unsuitability without recourse to the grievance procedure. (Amended XX-XX-XX) (Amended 1-1-16)**

(b) A part-time employee shall be eligible to receive benefits as noted in this Agreement and in accordance with the eligibility requirements as stated in the Summary of Benefits Handbook (Amended 1-1-16):

(1) Upon reaching regular status: Group Life Insurance and Long-Term Disability coverage as provided in the Benefit Agreement and described in the Summary of Benefits Handbook. (Amended 1-1-16)

(2) Medical, Dental and Vision plan coverage as provided in the Medical, Dental and Vision Benefit Agreement and described in the Summary of Benefits Handbook. (Amended 1-1-16).

(3) Upon reaching regular status: Vacation allowance as provided in Title 8, but prorated based on the ratio of total straight-time hours worked in a year to 2,080 hours. (Amended 1-1-16)

(4) After completing one year of service: Sick leave as provided in Title 7, but prorated based on the ratio of straight-time hours worked in a year to 2,080 hours. 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~~ **for a reason authorized in Title 7. (Amended XX-XX-XX). (Amended 1-1-16)**

(5) Upon reaching regular status: Paid holiday hours prorated based on ratio of straight-time hours scheduled to work in a year to 2,080 hours. (Amended 1-1-16)

(6) Retirement Plan and Retirement Savings Plan benefits as provided in the Benefits Agreement and described in the Summary of Benefits Handbook. (Amended 1-1-16)

(c) Part-time employment is allowed up to, but not to exceed twenty percent (20%) of the total full-time clerical bargaining unit complement at any given time. In any one headquarters, the number of part-time clerical bargaining unit employees cannot exceed the number of full-time clerical bargaining unit employees. However, this does not apply to headquarters and departments with only one employee. (Amended 1-1-11)

(d) Company to furnish Union a listing of all clerical bargaining unit part-time employees on a quarterly basis. (Added 1-1-97)

## 17.7 INTERMITTENT EMPLOYEES

(a) **Section 17.5 also applies to Intermittent employees.** 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 18.3(a) or any Relief Agreement. **Regular Intermittent employees who have completed less than one year of Service extended by layoffs or absences of 30 consecutive days or more, may be terminated for unsuitability without recourse to the grievance procedure.** (Amended XX-XX-XX)

(b) Intermittent employees will attain regular status upon the completion of six months of continuous service. Continuous service is defined in Section 17.5 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: (Amended 1-1-91)

(1) Group Life Insurance and Long-Term Disability coverage, and Retirement Plan and Retirement Savings Plan benefits as provided in the Benefit Agreement and described in the Summary of Benefits Handbook. (Amended 1-1-16)

(2) Medical, Dental and Vision plan coverage as provided in the Medical, Dental and Vision Benefit Agreement and described in the Summary of Benefits Handbook. (Amended 1-1-16)

(3) Vacation allowance as provided in Title 8, but prorated based on the ratio of total straight-time hours worked in a year to 2,080 hours.

(4) Sick leave as provided in Title 7, but prorated based on the ratio of total straight-time hours in a year to 2,080 hours. 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~~ **for a reason authorized in Title 7.**

(5) Paid holidays when regularly scheduled to work on 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) Intermittent employees who have not obtained regular status are eligible for the following benefits:

~~(1)~~ (1) Paid 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 **for a reason authorized in Title 7.** (Amended XX-XX-26) ~~due to illness or non-industrial injury.~~ (Amended 2-9-21)

(e) Company to furnish Union a listing of all clerical bargaining unit intermittent employees on a quarterly basis. (Added 1-1-91)

## 17.8 OVERTIME

Part-time and intermittent employees shall receive the overtime rate of pay set forth in Title 12 for hours worked in excess of eight hours in a day or 40 hours in a week, or on the sixth or seventh day worked in a week or on a holiday.

## 17.9 PROGRESSIVE WAGE INCREASES

~~Part-time and intermittent employees shall receive progressive wage increases (where applicable) upon completion of 1,040 hours of work at the straight-time rate of pay at an established wage step.~~

***Part-time and intermittent employees on an established six (6) month wage step progression shall receive progressive wage increases (where applicable) upon completion of 1,040 hours of work at the straight-time rate of pay at an established wage step.***

***Part-time and intermittent employees on an established eighteen (18) month wage step progression shall receive progressive wage increases (where applicable) upon completion of 3,120 hours of work at the straight-time rate of pay at an established wage step. (Amended XX-XX-XX)***

## 17.10 LIST

As soon after the end of each calendar year as it is practicable to do so, Company will furnish Union with a list showing the name, personnel number, home address, employment date, and classification of each employee calculated to the end of such year. (Amended 8-15-17)

## 17.11 INFORMATION

Upon an employee's request, Company shall give such employee any information of record concerning his/her status as an employee of Company. Such requested information shall be furnished during normal business hours and as soon as practicable, but within 28 calendar days from the date of the request. (Amended 1-1-91)

## TITLE 18. JOB BIDDING, PROMOTION AND TRANSFER

### 18.8 SEQUENCE OF CONSIDERATION

(d) Bids made by any regular employee in the physical and clerical bargaining units within the Company. ***Must currently or have previously held a classification within the Clerical Agreement. {Note: Meter Readers are considered eligible D bidders if test qualified as they were previously covered by this Agreement.} (Amended XX-XX-XX)***

## TITLE 19. DEMOTION AND LAYOFF PROCEDURE

### 19.17 TECHNOLOGICAL CHANGES (DELETED X-X-26)

~~Company shall continue to provide Union with as much notice as practicable of technological changes in its business which may have a significant effect on its workforce. In such circumstances, Company and Union shall then meet to study and endeavor to adopt appropriate solutions, such as retraining or special placement, as may be practicable before Company implements the provisions of Titles 206, 306, and 19 of the Physical and Clerical Agreements. (Added 1-1-88)~~

## TITLE 21 LABOR-MANAGEMENT COOPERATION

### 21.3 PRODUCTIVITY ENHANCEMENT COMMITTEES

(a) Company and Union will establish Joint Committees on Productivity Enhancement. One such committee consisting of four members appointed by Company's Senior Director of Labor Relations and four members appointed by Union shall meet at the call of either party. Other Productivity Enhancement Committees will be established as agreed between Union and Company at other levels of Company's organization. Union members of such committees who are employees of Company shall be paid by Company for attendance at mutually agreed-to meetings of such committees. (Amended 8-15-17)

(b) A unit may request to participate in an employee involvement efficiency project. Each project will have an advisory committee and a steering committee, each consisting of Company and Union representatives.

Company's Senior Director of Labor Relations and Union's Business Manager may agree to guidelines and provisions to temporarily amend provisions of the agreement and/or Company policies and procedures (excluding conflict with any Federal or State Law, Regulation or Executive Order). (~~See Letter Agreement 87-165-PGE, Exhibit D.~~) (**Amended X-X-26**)

## TITLE 24. MANAGEMENT OF COMPANY AND MISCELLANEOUS

### **24.6 TECHNOLOGICAL CHANGES, NEW TECHNOLOGIES, INTEGRATION OF AUTONOMOUS TECHNOLOGIES AND ARTIFICIAL INTELLIGENCE (Added XX-XX-XX)**

***(a) The parties recognize the Company's right to utilize new technologies in management of its business. The parties also recognize that any work normally performed by IBEW 1245 will remain under the jurisdiction of IBEW 1245. The Company shall notify the Union prior to implementing any new technology or tool that will have a material impact on work normally performed by IBEW 1245 bargaining unit members. The parties agree to bargain in good faith over the effects of its decision to use or implement new tools or technology. New tools or technology under this section include, but are not limited to, the use or integration of Artificial Intelligence, Autonomous At-Scale Data Collection Systems, Autonomous Systems, Autonomous Technologies, Drones, Autonomous Vehicles, AI operated systems, Robotics, or any other similar technologies.***

## TITLE 25. TERM

### 25.1 TERM

This Agreement, having taken effect as of July 1, 1953, and having thereafter been amended from time to time shall continue in effect as further amended herein for the term of ~~January 1, 2022~~ **Month XX, 2026**, through December 31, 20**58**, and shall continue thereafter from year to year unless written notice of termination shall be given by either party to the other 60 days prior to the end of the then current term. (Amended ~~XX-XX-261-1-16~~)

### 25.3 GENERAL WAGE INCREASES

(a) Effective ~~Month XX, 2026~~ **Month XX, 2026** ~~January 1, 2022~~, the basic wage rates established/effective for ~~Month XX, 2026~~ **Month XX, 2026** ~~January 1, 2022~~, in Exhibit F of this Agreement shall be increased by ~~five three and three quarter~~ **five three and three quarter** percent. (Amended ~~XX-XX-264-16-21~~)

(b) Effective ~~January 1, 2023~~ **January 1, 2023**, the basic wage rates established for ~~January 1, 2023~~ **January 1, 2023** in Exhibit F of this Agreement shall be increased by ~~five three and three quarter~~ **five three and three quarter** percent. (Amended ~~XX-XX-264-16-21~~)

(c) Effective ~~January 1, 2024~~ **January 1, 2024**, the basic wage rates established for ~~January 1, 2024~~ **January 1, 2024** in Exhibit F of this Agreement shall be increased by ~~five three and three quarter~~ **five three and three quarter** percent. (Amended ~~XX-XX-264-16-21~~)

(d) Effective ~~January 1, 2025~~, the basic wage rates established for ~~January 1, 2025~~ in Exhibit F of this Agreement shall be increased by ~~three and three quarter~~ percent. (Amended ~~4-16-21~~)

**TITLE 26. REWARDS AND RECOGNITION (Entire Section Added XX-XX-26)**

**26.1 REWARDS AND RECOGNITION PROGRAMS**

***Rewards and Recognition awards are intended to be goods or services with a value not to exceed \$400.00. No cash awards are to be included. Some examples of awards include: meals, gift certificates, sporting event tickets, clothing, merchandise, and services. If gift certificates are given, they cannot be redeemable for cash. In addition to not awarding cash, additional paid time off is not permitted. Any awards given under this program are taxable compensation to employees.***

- a) The \$400.00 award limit is per employee per calendar quarter.***
- b) Any program developed must provide for the equal opportunity to participate.***
- c) Programs are intended to be developed locally and implemented at the discretion of local management.***
- d) Any program developed will not be structured in such a way as to promote competition between work groups or individuals such that one work group or individual receives an award at the expense of another work group or individual.***

**26.2 REWARD AND RECOGNITION PROGRAM FOR NON-REPRESENTED POSITIONS**

***At PG&E, bargaining unit employees are often assigned temporary rotations into non-bargaining unit positions. Company has an interest in applying its R&R Program guidelines to employees for work performed in a non-bargaining unit position, even if such assignment is temporary. The parties' agree that Company may recognize employees for work performed in a non-bargaining unit position consistent with the Company's R&R Program applicable to non-bargaining unit employees. In some cases, such payments may occur after the employee has returned to the bargaining unit position.***

## Exhibit A

The parties agree to form Ad Hoc Committee to discuss the following issues:

- a. Develop a replacement for the Clerical Position Evaluation System (PEQ) established in Letter Agreement 87-88-PGE. Until a new system is developed, the existing Clerical Position Evaluation System will remain in place.
- b. Review and update Exhibit "A" in the IBEW Clerical Agreement
- c. Review and update existing letter agreements as necessary

Updated Job Descriptions to be included as part of the Ad Hoc Committee are detailed below.

In addition, as part of the above update, the parties have also agreed to the following new classification and wage rates:

### Senior Operating Clerk (Job Description Below)

Wages:

Start	\$52.75
6 Months	\$53.64
1 Year	\$54.52
18 Months	\$55.34
24 Months	\$56.90
30 Months	\$58.13

NOTE: The above are 2025 wages and will be adjusted by the General Wage Increase.

The parties agree to delete the following classifications:

### Accounting

Accounting Clerk-Typist  
Senior Accounting Clerk-Typist I  
Senior Accounting Clerk-Typist II  
Utility Clerk-Typist Accounting  
Clerk D, Controller

### Customer Services

Senior Services Representative-Typist I  
Senior Service Representative Typist II  
Service Representative  
Service Representative Typist  
Service Representative I Typist  
Service Representative II Typist  
Utility Clerk Typist – Customer Services, Marketing  
Clerk D- Customer Services, Marketing  
Credit Representative and Meter Reader  
Meter Reader and Utility Clerk (Hired 10-1-88 and after)

### Operating

Clerk D- Operating  
E&P Operating Clerk  
Operating Clerk-Steno  
(PIO) Operating Clerk-Typist  
Senior Operating Clerk I  
Senior Operating Clerk II  
Senior Operating Clerk I-II  
Senior Operating Clerk Typist I-II  
Senior Operating Clerk Typist I  
Senior Operating Clerk Typist II  
Utility Clerk-Typist Operating

## **Customer Services Line of Progression Job Definitions**

### **50010457 (2675) Utility Clerk - Customer Services, Marketing**

Performs entry level administrative tasks such as basic computer data entry, copying, mail distribution, filing, document scanning, record indexing, document destruction, supply ordering, meal coordination and other similar tasks. May be required to use standard computer software for basic word processing, record retention, and reporting.

May be reassigned to another department or work group within the headquarters based on operational needs.

### **50356342 (2602) Service Representative I**

### **50356343 (2604) Service Representative II**

Serves as the first point of contact for customers or in a back-office support role by handling inbound and outbound customer inquiries via phone, in person, and online channels. In addition to general inquiries, may be asked to support multiple customer segments such as but not limited to Business, Industrial, Solar, Agriculture, and New Business.

Work may include but is not limited to: identify and report emergency situations on behalf of customers, provide safety related information, start/stop/transfer of service, schedule service appointments, provide information on services and power outages, explain account details and resolve billing / payment exceptions, assist customers in understanding their energy usage and rate options, offer applicable programs and services within CPUC requirements, update customer information, submit claims, and follow up on delinquent accounts.

Requires general knowledge and understanding of PG&E's standards and processes and the use of business software products (e.g. Customer Care & Billing, Meter Data Management System, Salesforce) and have general working knowledge of Microsoft office products.

Must be able to multi-task while working in a fast-paced environment and navigate across multiple systems.

May perform all the duties of a Utility Clerk. May assist in the administrative work of the department.

Works under general supervision and may mentor and assist employees within the classification.

May be reassigned to another department or work group within the headquarters based on operational needs.

### **50010445 (2650) Senior Service Representative I**

An employee whose background and experience are such that an employee has comprehensive departmental knowledge, experience as a Service Representative I/II, and leadership ability. Has advanced proficiency with the required business software products.

May manage escalated calls, cases, emails, and situations from departments within PG&E, and approved 3rd party vendors.

May coordinate and direct the work of other Service Representatives. May review and provide feedback to Service Representatives, may perform side by side mentoring, and provide training with Service Representatives on specific tasks/responsibilities.

May perform all duties of the Service Representative I/II. Senior Level training and passing assessment may be required.

May be reassigned to another department or work group within the headquarters based on operational needs.

### **50010441 (2641) Senior Service Representative II**

An employee whose background and experience reflect advanced expertise beyond the Senior Service Representative I level, with the ability to independently manage the most complex customer issues and provide guidance across service levels.

May perform all duties of the Service Representative I/II and Senior Service Representative I.

Receives and manages escalated calls, cases, and inquiries from Senior Service Representative I, if available.

May work in collaboration with Customer Relations and the CPUC on highly complex or sensitive issues that require their intervention.

May review Continuous Improvement Feedback submitted by various work groups and coordinates delivery to the appropriate Customer Service Representative or Senior Service Representative.

Provides consultation and guidance to Senior Service Representatives supporting skill development, resolution of complex customer inquiries. Guidance provided by side-by-side coaching, phone consultation and/or real-time communication platforms.

May be reassigned to another department or work group within the headquarters based on operational needs.

### **Operating Clerical Line of Progression Job Definitions**

#### **50010458 (2676) Utility Clerk Operating**

Performs entry level administrative tasks such as basic computer data entry, copying, mail distribution, filing, document scanning, record indexing, document destruction, supply ordering, meal coordination and other similar tasks. May be required to use standard computer software for basic word processing, record retention, and reporting.

May be reassigned to another department or work group within the headquarters based on operational needs.

#### **50010450 (2662) Operating Clerk**

Performs clerical work and administrative tasks. Has knowledge of department office procedures and accounting principles.

Work may include but is not limited to:

- Coordinating various functions to facilitate the completion of jobs
- Assigning jobs to field personnel, processing work orders for accurate record keeping purposes
- Preparing/managing job packages
- Receiving and dispatching customer inquiries, and
- Customer outreach as needed

May be required to:

- Review, route, or edit correspondence
- Review timecards for accounting and payroll purposes

- Prepare forms, reports, records, and reference data including statistical records and computations required for reports and audits
- Assign and maintain program schedules and overtime lists
- Research, retrieve, and maintain office files and records
- Manage calendars, travel, and expense reporting

Requires general knowledge and understanding of PG&E's standards and processes and the use of business software products (e.g., SAP, Customer Care & Billing, Meter Data Management System, Salesforce) and have general working knowledge of Microsoft office products.

May perform all job duties of a Utility Clerk.

Works under general supervision and may mentor and assist employees within the classification.

May be reassigned to another department or work group within the headquarters based on operational needs.

### **(XXXXXXXX) Senior Operating Clerk (New Classification)**

An employee whose background and experience are such that an employee has comprehensive departmental knowledge, experience as an Operating Clerk, and leadership/supervisory ability.

- Has advanced proficiency with the required business software products
- May provide administrative and clerical support to supervisor and clerical/administrative tasks directly in support of a field leader and department
- May perform all duties of an Operating Clerk, may coordinate and direct the work of other clerks, and may provide training
- May mentor, train and provide guidance on complex tasks or customer issues
- May resolve escalated internal or customer issues
- Senior Level training and/or passing assessment may be required

May be reassigned to another department or work group within the headquarters based on operational needs.

## **Accounting Clerical Line of Progression Job Definitions**

### **50010459 (2677) Utility Clerk Accounting**

Performs entry level administrative tasks such as basic computer data entry, copying, mail distribution, filing, document scanning, record indexing, document destruction, supply ordering, meal coordination and other similar tasks. May be required to use standard computer software for basic word processing, record retention, and reporting.

May be reassigned to another department or work group within the headquarters based on operational needs.

### **50010464 (2689) Utility Machine Operator**

Operates machinery to open mail and process bills. May perform entry level administrative tasks such as basic computer data entry, copying, mail distribution, filing, document scanning, record indexing, document destruction, supply ordering, and other similar tasks. May be required to use standard computer software for basic word processing, record retention, and reporting.

### **50010449 (2661) Accounting Clerk**

Performs clerical work and administrative tasks. Has knowledge of financial and accounting principles.

Work may include but is not limited to:

- Processing customer payments and contracts
- Resolving payment and contract exceptions
- Supporting payroll and accounts payable processing
- Coordinating various functions to facilitate the completion of jobs
- Processing work orders for accurate record keeping purposes, and
- Providing customer support (inbound/outbound calls) as needed

May be required to:

- Review, route, or edit correspondence
- Review timecards for accounting and payroll purposes
- Prepare forms, reports, records, and reference data including statistical records and computations required for reports and audits
- Research, retrieve, and maintain office files and records
- Manage calendars, travel, and expense reporting
- Update customer information, submit claims, follow up on erroneous payments, and assist customers in understanding various payment options

Requires general knowledge and understanding of PG&E's standards and processes and the use of business software products (e.g., SAP, Customer Care & Billing, Meter Data Management System, Salesforce) and have general working knowledge of Microsoft office products.

May perform all duties of the Utility Clerk Accounting.

Works under general supervision and may mentor and assist employees within the classification.

May be reassigned to another department or work group within the headquarters based on operational needs.

### **50010476 (2788) Senior Accounting Clerk I**

An employee whose background and experience are such that an employee has comprehensive departmental knowledge, experience as an Accounting Clerk, and leadership ability.

- Has advanced proficiency with the required business software products
- May include clerical/administrative tasks directly in support of a department
- May perform all duties of an Accounting Clerk, may coordinate and direct the work of other clerks, and may provide training
- Senior Level training and/or passing assessment may be required

May be reassigned to another department or work group within the headquarters based on operational needs.

### **50010442 (2642) Senior Accounting Clerk II**

An employee whose background and experience are such that an employee has comprehensive departmental knowledge, advanced proficiency, experience as an Accounting Clerk, experience as a Sr. Accounting Clerk I and leadership/supervisory ability.

- May perform all duties of an Accounting Clerk and Senior Accounting Clerk I
- May coordinate and direct the work of Senior Accounting Clerk I and Accounting Clerk
- May mentor, train and provide guidance on complex tasks or customer issues
- May resolve escalated internal or customer issues
- May provide administrative and clerical support to supervisor
- Senior level training and/or passing assessment may be required

May be reassigned to another department or work group within the headquarters based on operational needs.

**EXHIBIT D**

*(Deleted XX-XX-26)*

**EXHIBIT G**  
**Deleted XX-XX-26**

~~Classifications of employees located at 77 Beale Street, San Francisco, which may come under the provisions of Section 10.6.~~

~~Mail Clerk-Driver~~

~~Clerks ————— Mail Room~~

~~Clerks ————— Meter Sheet Rewrite and~~

~~Closed Account Clerks ————— Cash Stub~~

~~Section~~

~~Clerks ————— Tape Librarian~~

## EXHIBIT K SEVERANCE

### A. Application

Employees laid off pursuant of Section 19.7 of the Clerical Agreement will receive the Severance Package as defined below.

Clerical Employees with less than one year of service will not be eligible for the severance program.

### B. Formula

- a) Four weeks pay (base classification) plus two weeks' pay for each year of service.
- b) A lump sum payment of \$5,000 to partially offset COBRA and life insurance conversion coverage. The employee has no obligation to use it for COBRA conversion or continued life insurance coverage.
- c) Payment is dependent on the signing of ~~the agreed to a~~ **Severance Agreement and Release *agreed to by the Company and Union.***
- d) Employees who are rehired, pursuant to Section 19.16 of the Clerical Agreement, within 12 months of lay-off and are subsequently laid off for lack of work within 12 months of being rehired will receive a prorated severance. The prorated severance amount will be equal to the difference between the severance amount(s) the employee previously received and the severance amount calculated using the employee's current years of service. (Amended 1-1-00)

ATTACHMENT 1 (~~Deleted XX-XX-XX~~)

**Exhibit L**

**(Added XX-XX-XX)**

**PACIFIC GAS AND ELECTRIC COMPANY POSITIVE DISCIPLINE GUIDELINES**

**I. INTRODUCTION**

***It has been the policy of Pacific Gas and Electric Company to enhance and to improve work performance in all areas by means of clear communication and understanding of performance requirements by all employees. To this end, Company will utilize Positive Discipline to:***

- 1. Improve communications between supervisors and employees.***
- 2. Improve knowledge and understanding by individuals of performance expectations.***
- 3. Communicate the expectation of change and improvement through coaching and counseling.***

***In order to ensure that customers are served effectively, and Company business is conducted properly and efficiently, employees must meet certain standards of performance and perform their jobs in a safe and effective manner. Supervision is responsible for establishing employee awareness of their job requirements, and employees, in turn, are responsible for meeting these standards and expectations. Positive Discipline is a system that emphasizes an individual's responsibility for managing their performance and behavior. It focuses on communicating an expectation of change and improvement in a personal, adult, non-threatening way; while at the same time, maintaining concern for the seriousness of the situation. Key aspects of this system include recognizing and encouraging good performance, correcting performance problems through coaching and counseling, and building commitment to effective work standards and safe work practices.***

***If an employee has a conduct, attendance or work performance problem, disciplinary action may be necessary to correct the situation. Positive Discipline is designed to provide the opportunity to correct deficient performance and build commitment (not merely compliance) to expected performance in a manner that is fair and equitable to all employees. Each step is a reminder of expected performance, stressing decision-making and individual responsibility, not punishment.***

***The Positive Discipline Program applies to all regular employees. It does not apply to probationary employees. The performance of probationary employees shall continue to be monitored utilizing performance reviews and counseling. The Employee Assistance Program will continue to play a very important role and should be utilized when appropriate.***

***The Personnel File refers to the Employee Records that are kept by the Company that include Positive Discipline as well as other employment related documents. The Employee Performance Record refers to the form which is only used by leaders to record and deactivate Positive Discipline.***

**II. THE POSITIVE DISCIPLINE SYSTEM**

**A. Coaching and Counseling**

*Coaching/counseling is the expected method for the supervisor to inform an employee about a problem in the areas of work performance, conduct or attendance. The objective of performance coaching/counseling is to help the employee recognize that a problem exists and to develop effective solutions to it. Since it is the supervisor's approach to a performance problem that often brings about the employee's decision to change behavior, it is critical that the supervisor be prepared. Coaching/counseling is intended to be a deliberation and discussion between the supervisor and employee. The supervisor will provide either a copy of his/her notes of the conversation, a copy of the Employee Performance Record, or a letter documenting the basic conversation. Any of these may be sent electronically but should note the conversation as a Coaching & Counseling. Normally, performance problems can be resolved at this step. Coaching/counseling memos or notes kept in the supervisor's operating file should be deactivated in the same manner as oral reminders (Section VI.A). If a bargaining-unit employee requests a shop steward prior to or during coaching/counseling, such request shall be granted.*

**B. Positive Discipline Steps**

*When an employee fails to respond to counseling or a single incident occurs which is serious enough to warrant a formal step of discipline, the supervisor will have several options, depending on the seriousness of the performance problem. These options or steps of the Positive Discipline system are:*

**NOTE: ALL BARGAINING UNIT EMPLOYEES ARE ENTITLED TO APPROPRIATE UNION REPRESENTATION DURING ANY STEP OF POSITIVE DISCIPLINE.**

**STEP ONE - ORAL REMINDER**

**1. Application**

*The supervisor discusses the conduct, attendance or work performance problem with the employee in a private meeting. The supervisor reminds the employee of the importance of commitment to follow work rules and Company standards. In this problem-solving discussion, the supervisor informs the employee that this is the first step of the discipline process and restates the employee's need to live up to his/her commitment. The meeting closes with the supervisor expressing confidence in the employee's ability to change.*

**2. Documentation**

*(a) The supervisor will prepare a letter documenting the basic conversation, date it and upload it to the personnel file. It should contain the exact performance problem, the date of any coaching/counseling, what offense caused the Oral Reminder, the employee's commitment and need to change in the future and whether further steps of Positive Discipline could follow.*

*(b) The original copy of the letter is given to the employee.*

*(c) The supervisor will also make a notation of this discussion on the Electronic Employee Performance Record (Attachment 1).*

- (d) *An Oral Reminder is active for six (6) months.*

### **STEP TWO - WRITTEN REMINDER**

*A Written Reminder is a formal conversation between a supervisor and employee about a continued or serious performance problem. The conversation is followed by the supervisor's letter to the employee summarizing the conversation and the employee's commitment to change his/her behavior. It is the second step of the Positive Discipline System.*

#### **1. Application**

*This step is applied when:*

- *An employee's commitment to improve is not met within the six (6) month active time period for an Oral Reminder; or*
- *An employee commits a serious offense whether or not any previous disciplinary action has been taken.*

#### **2. Documentation**

- (a) *After the conversation with the employee, the supervisor will then write a letter to the employee summarizing the discussion. It should contain the exact performance problem, the date of any Coaching/Counseling and/or Oral Reminders, what offense caused the Written Reminder, the employee's commitment and need to change in the future and whether further steps of Positive Discipline could follow.*
- (b) *The original copy of the letter is given to the employee. The immediate supervisor uploads the letter to the employee's Personnel file.*
- (c) *The supervisor will make a notation of this discussion on the Employee Performance Record. (Attachment 1)*
- (d) *The Written Reminder is active for twelve (12) months.*

### **STEP THREE - DECISION MAKING LEAVE (DML)**

*The DML is the third and final step of the Positive Discipline System. It consists of a discussion between the supervisor and the employee about a very serious performance problem. The discussion is followed by the employee being placed on DML the following workday with pay to decide whether the employee wants and is able to continue to work for PG&E by following all the rules and performing in a fully satisfactory manner.*

*The employee's decision is reported to his/her supervisor the workday after the DML. It is an extremely serious step since, in all probability, the employee will be discharged if the employee does not live up to the commitment to meet all Company work rules and standards during the next twelve (12) months, the active period of the DML, except as provided in Section III.B.*

**Because the DML is a total performance decision by the employee, there is only one active DML allowed.**

**1. Application**

***This step is applied when:***

- An employee's commitment to improve is not met during the twelve (12) month active time period for a written reminder; or***
- An employee commits a very serious offense whether or not previous discipline has taken place.***

**2. Documentation**

- (a) Notes are to be written covering the key points of the conversation. The exact dates and offenses shall be included. The supervisor should document the topics covered during the meeting including specific -violations and/or performance, attendance, or conduct issues giving rise to the DML. The employee's response should be included.***
- (b) When the employee returns from the Decision Making Leave, the employee will be given a letter summarizing the Decision Making Leave incident and the employee's decision. This letter should be written by the supervisor using the notes mentioned in (a) above. The letter will advise the employee that termination could follow should they fail to live up to their commitment to maintain total performance and abide by all Company rules.***
- (c) The original copy of the letter is given to the employee. The immediate supervisor uploads a copy to in the employee's Personnel File.***
- (d) The supervisor will also make a notation of this discussion on the Employee's Performance Record. (Attachment 1).***
- (e) A DML is active for twelve (12) months.***

***In the event of an employee at a discipline step is placed on an approved leave of absence or is on the Compensation Payroll in excess of ten consecutive workdays, the active periods referred to above will be suspended until the employee returns to the active payroll. However, if an employee is off the active payroll in excess of twelve consecutive months, any discipline will be deactivated upon his/her return to the active payroll.***

**C. Reviewing Performance Record**

***The employee shall have access to view their Employee Performance Record currently stored in the "About Me" PG&E Intranet Page.***

***The employee shall have access to their employee Personnel File by a request to the Company. The request should be made in accordance with the Company standard.***

**III. TERMINATION -**

- A. Termination occurs when Positive Discipline has failed to bring about a positive change in an employee's behavior, such as another disciplinary problem occurring within the twelve (12) month active duration of a DML. Termination may also occur in those few instances when a single offense of such major consequence is committed that the employee forfeits his/her right to the Positive Discipline process, such as:**

**Theft (See Review Committee Decisions 1451 and 1452)  
Striking a member of the public or  
another employee Energy Diversion  
Curb reading of meters  
Driving Under the Influence of Alcohol in a Company  
Vehicle or while on Company paid work or travel time  
(See R1-LA-25-21)**

- B. Notwithstanding the foregoing, if a performance problem which normally would result in formal discipline occurs during an active DML, the Company shall consider mitigating factors (such as Company service, employment record, nature and seriousness of violation, etc.) before making a decision to discharge, all of which is subject to the provisions of the appropriate grievance procedure for bargaining unit employees. In addition, a summary of the decision not to terminate should be documented and placed in the employee's Personnel File and the employee should be given a copy of the summary.**

**IV. ADMINISTRATIVE GUIDELINES**

- A. Rule infractions are generally divided into three categories. These are (1) work performance, (2) conduct and (3) attendance. The maximum number of oral reminders that may be active at one time is three (3) and these must be in different categories. Should another performance problem occur in a category where there is already an active oral reminder, the discipline step must escalate to a higher level of seriousness, usually a written reminder. The maximum number of written reminders that may be active at one time is two (2) and these must be in different categories. Should another performance problem occur in a category where there is already an active written reminder, the discipline step must escalate to a DML.**

**The above language refers to escalation to the appropriate disciplinary step once a decision to formally discipline has been made. In lieu of taking formal disciplinary action, the supervisor may opt to coach/counsel an employee, taking into consideration mitigating factors.**

**In addition, where appropriate, such as an employee who exhibits an inability to work in a classification that is not directly supervised, consideration for demotion should be made.**

**Placement of a bargaining unit employee at a Positive Discipline step or termination of a bargaining unit employee may be grieved by that**

**employee's Union on the grounds that such action was without "just cause", the degree of discipline was too severe or there was disparity of treatment, pursuant to the provisions of the appropriate grievance procedure.**

**Under Positive Discipline, the time limits for filing a grievance commence on the date of the disciplinary discussion, unless the employee's receipt of the discussion documentation exceeds three working days. If receipt of such documentation exceeds three working days, the time limit for filing a grievance will be extended by an equivalent number of days.**

**Company and Union agree in Letter Agreement No. 88-109, that the Positive Discipline Guidelines do not supersede Subsections 102.4(c) of the Physical Agreement or 9.4 ( c) of the Clerical Agreement.**

**Because the Decision Making Leave is a total performance decision on the employee's part, there is only one DML. Additionally, while the DML is active, no other formal steps of Positive Discipline may be administered, except as provided for in Section III.B.**

- B. The following list, which is not intended to be all-inclusive, gives examples of rule violations and general categories they fall into:**

**Attendance:**

**Absenteeism**

**Tardiness**

**Sick Leave Abuse (Positive Discipline will not circumvent or supersede sick leave abuse sections of any Labor Agreement)**

**Unavailability**

**Extended Lunches/Break Periods**

**No Call/No Show**

**Conduct:**

**Driving under the influence of Alcohol in a Company Vehicle or while on Company paid work or travel time (LA R1-25-21)**

**Violation of the Employee Conduct Standard**

**Carrying Firearms on Company Property or in Company Vehicle**

**Leaving Assigned Work Area/Location Without Permission**

**Insubordination: Refusal to Follow Supervisor's Instruction**

**Refusal to Work Overtime in an Emergency Situation**

**Fighting or Provoking a Fight on Company Property Falsification of any Company Document or Record**

**Conducting Personal Business on Company Time Without Permission**

**Reporting a False Reason for an Absence**

**Congregating**

**Verbal and/or Sexual Harassment**

**Initiating, Encouraging or Participating in a Walk-Out or Work Slowdown Allowing Guests on Restricted Company**

## **Property Without Permission**

### **Work Performance:**

**Failure to Adhere to Safe Work Practices and Accident Prevention Rules**  
**Unsatisfactory Work Performance (Quality/Quantity, Effort and/or Negligence**  
**Backing or Automotive Accidents**  
**Sleeping on the Job**  
**Housekeeping**  
**Excessive Time Away from Workstation**

**Note: For some types of performance problems caused by an ability deficiency, demotion to a lower classification may be the appropriate action rather than implementing any step of Positive Discipline.**

- C. Offenses in each of the three categories are normally assigned a level of severity. Their level of severity can be minor, serious or major in nature. As a general rule, the seriousness of the offense dictates which step of the Positive Discipline process would apply.**
- D. The above list is not totally inclusive. In addition, Company Standards, Safety, and Procedural Rules, along with sound judgment and common sense should govern individual conduct and actions. Individual departments and locations also have rules and standards which must be adhered to or met.**

## **V. CRISIS SUSPENSION**

**As has been past practice, a crisis suspension should be used when an employee's inappropriate behavior is so serious immediate removal from the workplace is necessary because the employee's actions indicate that remaining on or returning to the job may be detrimental to the employee, fellow employees, customers, or the Company. The employee shall be required to leave Company property pending investigation. Some examples would be theft, insubordination, threat of violent action, destruction of Company property or reporting to work under the influence of alcohol or drugs. These situations will be handled in the following manner.**

- 1. If, upon completion of its investigation, Company finds that there is insufficient evidence to support the alleged misconduct, the employee will be placed back to work and will be paid for the investigatory time off.**
- 2. If, upon completion of its investigation, Company finds that there is sufficient evidence to support termination, the employee's employment will be terminated, and the investigatory time off will be without pay.**
- 3. If, upon completion of its investigation, Company finds that there is sufficient evidence to support disciplinary action but not termination, the appropriate step of Positive Discipline will be administered, and**

*the employee will be reimbursed for the investigatory time off without pay. However, should an employee be unfit for work or otherwise unavailable, the employee shall not be reimbursed for such time.*

## **VI. DEACTIVATION**

*A very important step of the Positive Discipline system, which recognizes improved performance, is the deactivation process. If an employee has maintained fully satisfactory performance during the active period of a disciplinary action and the employee's attendance, conduct, and/or performance improves, it is imperative that the supervisor acknowledge the improvement. The administrative process of deactivation is summarized below:*

### **A. Oral Reminder**

*At the end of the six-month active time period, the immediate supervisor meets with the employee, informs the employee of the inactive status of the Oral Reminder and commends the employee for improved performance. The supervisor notes the inactive status on the Employee's Performance Record.*

### **B. Written Reminder/DML**

*At the end of the 12-month active time period for the written reminder and the 12-month active time period for the DML, the supervisor initiates a letter advising the employee of the inactive status of the step, and commends the employee's improved performance. Copies are distributed to all who were previously copied on the written reminder or DML letters with the exception of the employee Personnel File. The supervisor also notes the inactive status on the Employee's Performance Record.*

## **VII. RECOGNIZING GOOD PERFORMANCE**

*The supervisor is a very important member of the work group. Since the supervisor's job is to get work done through others, it is essential that energies be concentrated on helping employees be as successful as possible. What a supervisor expects of an employee and the way the employee is treated to a large extent determines that employee's performance. Good performance is a shared responsibility.*

*The supervisor has an opportunity to foster a working environment that is based on mutual respect and trust, a collaborative team effort that is mutually beneficial to the supervisor, the employee and the organization. Positive Discipline is intended not only to resolve performance problems, but also to focus on improvement in performance and recognize exceptional performance. Reinforcement of this type of behavior will help to ensure its continuation and should be used under the following circumstances:*

**A.** *When an employee's attendance, conduct and/or performance improves, it is imperative that the supervisor acknowledges the improvement in a way that encourages the employee to maintain the improvement. Such changes in*

*behavior that are ignored often disappear.*

**B. When an employee deserves recognition and commendation for performance above and beyond the call of duty, such as:**

- *Taking immediate action in a crisis or emergency.*
- *Developing a cost or work saving idea.*
- *Providing special training or assistance to other employees.*

**C. When an employee deserves recognition and commendation for performing competently and diligently over a period of time. Examples would include:**

- *Maintaining a good attendance record over a significant period of time.*
- *Maintaining a record of working safely.*
- *Maintaining a spirit of teamwork that is demonstrated through specific actions.*

*In a discussion of this nature, the supervisor must refer to the specific improvement or incident with which the supervisor is pleased. The supervisor must be specific and sincere. These positive contacts should be noted on the employee's performance record. If the employee's performance is exceptional or the supervisor is deactivating a step of Positive Discipline, a letter to the employee should be prepared by the supervisor recognizing this exceptional or improved performance. A copy should also be placed in the employee's Personnel File, unless it is a deactivation memo/letter. This type of recognition can be highly successful in establishing and maintaining a motivating, productive work environment.*

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### **Subsequent Letter Agreements Regarding Positive Discipline**

**LA 88-109-PGE**

*Positive Discipline Guidelines do not prohibit grievance settlements that provide for reinstatement of discharged employees without back pay or with less than full back pay if that is what the equities of the situation call for.*

**LA 89-24-PGE**

*Under Positive Discipline, the time limits for filing a grievance commence on the date of the disciplinary discussion, unless the employee's receipt of the discussion documentation exceeds three working days. If receipt of such documentation exceeds three working days, the time limit for filing a grievance will be extended*

*by an equivalent number of days.*

**LA 89-164-PGE**

***Moves “Failure to adhere to safe work practices and accident prevention rules” from the Conduct category to the Work Performance category.***

**LA 90-178-PGE**

***Moves “backing accidents” from Conduct category to Work Performance category.***

**Arb 369 (RC 24753)**

***Updates Coaching & Counseling language on documentation***

**LA 21-53**

***Update to PD Guidelines to incorporate requirements of Arb 369***

**Exhibit M**  
**Key Agreements**

*The following are key Letter Agreements. Letter Agreements are amendments or additions to the Collective Bargaining Agreement that are negotiated by the parties outside of general negotiations. Unlike provisions in the Collective Bargaining Agreement, most of the Letter Agreements have specified cancellation procedures.*

*This list will be updated on a periodic basis. Before relying on a Letter Agreement, check with your respective PG&E Labor Representative or IBEW Business Representative to ensure it has not been modified or cancelled by the parties.*

## ATTACHMENT B

### ACTIVE MEDICAL, DENTAL, VISION AGREEMENT AND RETIREE MEDICAL

#### ACTIVE MEDICAL

The Company and Union agree to modify the current medical plan in the following ways:

1. Effective January 1, 2027, introduce a High-Deductible Health Plan (HDHP)<sup>1</sup> with Health Saving Account (HSA) option with both Anthem and Kaiser. The HDHP option will have a 7.5% medical plan premium for full-time and part-time employees.
  - a. Provide company funded annual contributions to a HSA for all enrolled members who meet HSA eligibility requirements.
    - i. \$800 HSA contribution for single coverage
    - ii. \$1,600 HSA contribution for family coverage
    - iii. Members will also be eligible to make their own contributions to their HSA account
    - iv. Members may use HSA funds for any IRS eligible expenses.
  - c. Implement a Limited Purpose Health Reimbursement Arrangement (LPHRA) for those enrolled in the HDHP
    - i. Provide company funded \$500 annual contributions to LPHRA for all HDHP enrolled employees.
    - ii. Under IRS regulations, the LPHRA is limited to dental and vision expenses until the deductible is met. After the deductible is met, it may be used for all eligible medical expenses.
    - iii. Any accrued balances in an existing company funded Health Reimbursement Account (HRA) will be transferred to LPHRA.
  - d. Annual medical plan deductible for in-network services is \$1,700 (single) or \$3,400 (family).
  - e. Annual medical plan deductible for out-of-network services is \$3,400 (single) or \$6,800 (family).
  - f. Annual medical plan out-of-pocket maximum for in-network is \$3,400 (single) or \$6,800 (family).
  - g. Annual medical plan out-of-pocket maximum for out-of-network is \$6,800 (single) or \$13,600 (family).
  - h. Once the deductible has been met, coinsurance will be 20% for in-network services and 40% for out-of-network.
  - i. Once the deductible has been met, coinsurance for prescriptions will be 20%.

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<sup>1</sup> Deductibles are subject to change yearly in accordance with IRS regulations.

2. Effective January 1, 2027, redesign the current Health Account Plan (HAP) option with both Anthem and Kaiser. The HAP plan option will have a 10% medical plan premium for full time and part time employees.
  - a. Remove yearly biometric health and tobacco screening requirement with Quest
  - b. Provide company funded annual contributions to Health Reimbursement Account (HRA) for all enrolled employees.
    - i. \$1,000 HRA contribution for single coverage
    - ii. \$2,000 HRA contribution for family coverage
    - iii. All funds in an HRA will remain available upon retirement (age 55 with 10 years of service) unless the participant opts out of coverage.
    - iv. In the event of an employee's death, HRA account balances will remain available to the covered surviving spouse, provided they continue PG&E sponsored coverage.
    - v. Members may use HRA funds for any IRS eligible expenses.
  - j. Annual medical plan deductible for in-network services will remain at \$1,000 (single) or \$2,000 (family).
  - k. Annual medical plan deductible for out-of-network services will be \$2,000 (single) or \$4,000 (family).
  - l. Annual medical plan out-of-pocket maximum for in-network will remain at \$2,400 (single) or \$4,800 (family).
  - m. Annual medical plan out-of-pocket maximum for out-of-network will be \$4,800 (single) or \$9,600 (family).
  - n. Once the deductible has been met, coinsurance will be 20% for in-network services and 40% for out-of-network services.
  - o. Laboratory testing performed at a Quest Diagnostics facility will be provided free of charge (Anthem HAP only).
  - p. Remove free OON preventive care coverage. It is only covered in full if performed In-Network. Standard OON cost shares will apply for OON preventive care (Anthem plans).
  - q. Establish Complex Care for Anthem and eliminate Knova Solutions.
3. Part-time and regular status employees will pay the same cost share as full-time employees.
4. Infertility lifetime maximum will be increased from \$7,000 to \$25,000.
5. Adoption expense reimbursement will be increased from \$2,000 to \$25,000/per adoption.

6. Allow members to cover non-represented PG&E employees and vice versa.
7. Change the standard list of preventive care services from PG&E custom list to the United States Preventative Services Task Force list (current list in Attachment B3 below).
8. Change from PG&E custom free drug list to Kaiser and Evernorth (formerly Express Scripts) Standard preventive free drug coverage lists as applicable.
9. Effective January 1, 2027, enhance dental benefits as follows:
  - a. Redesign current dental plan to offer free preventative coverage.
  - b. Add "buy up" enhanced plan option (see Attachment B4 below).
  - c. Explore adding another vendor to expanded network choice.
10. Effective January 1, 2027, enhance vision benefits as follows:
  - a. Add "buy up" enhanced option and/or explore adding another vendor alongside the existing plan.
11. Hearing Aid benefits provided in LA-13-68 shall continue to be available to active employees so long as they are enrolled in the Active health plan.
12. Explore a different vendor for mental health and substance disorder benefits and Employee Assistance Plan (EAP).
13. Raise company paid life insurance and company paid accidental death and dismemberment (AD&D) from \$10,000 to \$50,000 each.

Attachment B1

## Health Plan Designs

Key features	<b>HDHP</b> Administered by Anthem or Kaiser Permanente	<b>HAP</b> Administered by Anthem or Kaiser Permanente
<b>Contribution Rate</b>	7.5%	10%
<b>Health Accounts</b>	Company funded annual contributions to a Health Savings Account (HSA) for all enrolled members who meet HSA eligibility requirements. \$800 HSA contribution for single coverage \$1,600 HSA contribution for family coverage Members will be eligible to make their own contributions to their HSA account Company funded \$500 annual contributions to Limited Purpose Health Reimbursement Account	Company funded annual contributions to Health Reimbursement Account (HRA) for all enrolled coworkers \$1,000 HRA contribution for single only coverage \$2,000 HRA contribution family coverage All funds in HRA will remain available until retirement In the event of an employee's or retiree's death, HRA account balances will remain available to the covered surviving spouse, provided they continue PG&E sponsored coverage.
<b>Annual deductible</b>	<b>In-network care:</b> \$1,700 if you have single coverage \$3,400 if you have family coverage <b>Out-of-network care:</b> \$3,400 if you have single coverage \$6,800 if you have family coverage	<b>In-network care:</b> \$1,000 if you have single coverage \$2,000 if you have family coverage <b>Out-of-network care:</b> \$2,000 if you have single coverage \$4,000 if you have family coverage
<b>Coinsurance</b> After you meet the annual deductible	<b>In-network care:</b> Plan pays 80% of allowable expenses. You're responsible for 20% of allowable expenses. <b>Out-of-network care:</b> Plan pays 60% of allowable expenses. You're responsible for 40% of allowable expenses.	<b>In-network care:</b> Plan pays 80% of allowable expenses. You're responsible for 20% of allowable expenses. <b>Out-of-network care:</b> Plan pays 60% of allowable expenses. You're responsible for 40% of allowable expenses.
<b>Annual out-of-pocket maximum</b> Includes amounts you pay toward the annual deductible	<b>In-network care:</b> \$3,400 if you have single coverage \$6,800 if you have family coverage <b>Out-of-network care:</b> \$6,800 if you have single coverage \$13,600 if you have family coverage	<b>In-network care:</b> \$2,400 if you have single coverage \$4,800 if you have family coverage <b>Out-of-network care:</b> \$4,800 if you have single coverage \$9,600 if you have family coverage

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## Attachment B1

Key features	HDHP Administered by Anthem or Kaiser Permanente	HAP Administered by Anthem or Kaiser Permanente
<b>Primary care</b> Includes routine physical exams	<b>Doctor visits *</b> <ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul>	<b>Doctor visits</b> <ul style="list-style-type: none"> <li>No deductible</li> <li>Four free in-network care visits a year per enrolled person; you're responsible for 10% of covered charges for additional visits</li> </ul>
<b>Specialty care</b>	<ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul>	<ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul>
<b>Preventive services and immunizations</b>	<ul style="list-style-type: none"> <li>No deductible</li> <li>Free if listed on US Prevention Services Task Force Standard list</li> </ul>	<ul style="list-style-type: none"> <li>No deductible</li> <li>Free if listed on US Prevention Services Task Force Standard list</li> </ul>
<b>Maternity care</b>	<b>Office visits**</b> <ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <ul style="list-style-type: none"> <li>No deductible</li> <li>Free</li> </ul> <b>Screenings and tests (e.g., sonograms)</b> <ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <b>Diagnostics, X-rays and labwork are covered separately.</b> <b>Hospital-based delivery</b> <ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <b>NOTE:</b> Preauthorization required for delivery and all inpatient services; no penalty for failure to preauthorize inpatient delivery claims. Authorization required for delivery stays beyond 48 hours for vaginal delivery (96 hours for Cesarean section).	<b>Office visits</b> <ul style="list-style-type: none"> <li>No deductible</li> <li>Free</li> </ul> <b>Screenings and tests (e.g., sonograms)</b> <ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <b>Diagnostics, X-rays and labwork are covered separately.</b> <b>Hospital-based delivery</b> <ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <b>Anthem members:</b> <ul style="list-style-type: none"> <li>Preauthorization required for delivery and all inpatient services; no penalty for failure to preauthorize inpatient delivery claims.</li> <li>Authorization required for delivery stays beyond 48 hours for vaginal delivery (96 hours for Cesarean section).</li> </ul>

- \* HDHP Primary Care Note: All Primary care Doctor visits that meet the criteria for Free Preventative Services (see Attachment B3) will have no deductible. For all other services, the cost will be applied toward the Deductible.
- \*\* HDHP Maternity Care Note: All Maternity care Doctor visits that meet the criteria for Free Preventative Services (see Attachment B3) will have no deductible. For all other services, the cost will be applied toward the Deductible.

## Attachment B1

Key features	<b>HDHP</b> Administered by Anthem or Kaiser Permanente	<b>HAP</b> Administered by Anthem or Kaiser Permanente
Well-baby care	<ul style="list-style-type: none"> <li>No deductible</li> <li>Free to age two</li> </ul>	<ul style="list-style-type: none"> <li>No deductible</li> <li>Free to age two</li> </ul>
Infertility services	<ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> <li>\$25,000 lifetime benefit maximum; includes balances from prior plans</li> </ul>	<ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> <li>\$25,000 lifetime benefit maximum; includes balances from prior plans</li> </ul>
Urgent care	<ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul>	Covered as <b>primary care</b> —no deductible; you're responsible for 10% of covered charges after the first four free primary care visits in-network or 10% of charges if out of network
Lab tests and X-rays	<p><b>Routine preventive screenings listed on US Prevention Services Task Force Standard list</b></p> <ul style="list-style-type: none"> <li>No deductible</li> <li>Free</li> </ul> <p><b>All other procedures, including diagnostic tests and most lab tests</b></p> <ul style="list-style-type: none"> <li>Deductible required</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <p><b>NOTE:</b></p> <ul style="list-style-type: none"> <li>Anthem requires preauthorization for certain X-rays (call Anthem Member Services at the number on your ID card to find out if a procedure needs to be preauthorized)</li> <li>Preauthorization is required for advanced imaging procedures; no coverage if not obtained. Check with your health care provider.</li> </ul>	<p><b>Routine preventive screenings listed on US Prevention Services Task Force Standard list</b></p> <ul style="list-style-type: none"> <li>No deductible</li> <li>Free</li> </ul> <p><b>Laboratory testing performed at a Quest Diagnostics facility will be provided free of charge. All other procedures, including diagnostic tests and most lab tests</b></p> <ul style="list-style-type: none"> <li>Deductible required</li> <li>You're responsible for 20% of covered charges</li> <li><b>In-network care:</b> You're responsible for 20% of covered charges</li> <li><b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> <li>Anthem requires preauthorization for certain X-rays (call Anthem Member Services at the number on your ID card to find out if a procedure needs to be preauthorized)</li> <li>Preauthorization is required for advanced imaging procedures; no coverage if not obtained. Check with your health care provider.</li> </ul>

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# Attachment B1

## Key features

	<b>HDHP</b> Administered by Anthem or Kaiser Permanente	<b>HAP</b> Administered by Anthem or Kaiser Permanente
<b>Prescription drugs</b>	<p>Select drugs are free on Anthem or Kaiser standard list, no deductible</p> <p><b>Generic and brand drugs</b> (preferred and non-preferred)</p> <ul style="list-style-type: none"> <li>• Deductible required</li> <li>• <b>Retail:</b> In-network and out-of-network; you're responsible for 20% of covered charges</li> <li>• <b>Mail order:</b> In-network only; you're responsible for 20% of covered charges</li> </ul> <p><b>NOTE:</b></p> <ul style="list-style-type: none"> <li>• Some preventive prescriptions may be free. Contact Express Scripts for details: <b>1-800-718-6590</b>.</li> <li>• Drugs on the Mandatory Mail-Order drug list are covered only at mail order after the first three fills at retail.</li> <li>• 100% penalty may apply for using retail after three fills.</li> <li>• Certain specialty drugs can be obtained through mail order only.</li> </ul>	<p>Select drugs are free on Anthem or Kaiser standard list, no deductible</p> <p><b>Generic and brand drugs</b> (preferred and non-preferred)</p> <ul style="list-style-type: none"> <li>• Deductible required (combined with medical deductible)</li> <li>• <b>Retail:</b> In-network and out-of-network; you're responsible for 15% of covered charges for generic; 25% for brand (<b>Anthem members:</b> Generic Incentive Provision and Step Therapy Provision apply)</li> <li>• <b>Mail order:</b> In-network only; you're responsible for 10% of covered charges for generic; 20% for brand</li> </ul> <p><b>Anthem members:</b></p> <ul style="list-style-type: none"> <li>• Some preventive prescriptions may be free. Contact Express Scripts for details: <b>1-800-718-6590</b>.</li> <li>• Drugs on the Mandatory Mail-Order drug list are covered only at mail order after the first three fills at retail.</li> <li>• 100% penalty may apply for using retail after three fills.</li> <li>• Certain specialty drugs can be obtained through mail order only.</li> </ul> <p><b>Kaiser Permanente members:</b> No mandatory mail order; you can use a Kaiser Permanente pharmacy or Kaiser Permanente mail order for maintenance drugs.</p>
<b>Chiropractic and Acupuncture</b>	<ul style="list-style-type: none"> <li>• Deductible required</li> <li>• <b>In-network care:</b> You're responsible for 20% of covered charges</li> <li>• <b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <p><b>NOTE:</b> Preauthorization required after five visits per year</p>	<ul style="list-style-type: none"> <li>• Deductible required</li> <li>• <b>In-network care:</b> You're responsible for 10% of covered charges for first five visits per year; 20% for additional visits</li> <li>• <b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <p><b>Anthem members:</b> Preauthorization required after five visits per year</p> <p><b>Kaiser Permanente members:</b> You can self-refer to American Specialty Health (ASH) provider</p>

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# Attachment B1

Key features	<b>HDHP</b> Administered by Anthem or Kaiser Permanente	<b>HAP</b> Administered by Anthem or Kaiser Permanente
<b>Mental health and substance use disorder care</b>	Deductible required HDHP provides benefits for: <ul style="list-style-type: none"> <li>• Outpatient mental health</li> <li>• Inpatient mental health</li> <li>• Outpatient substance use disorder care</li> <li>• Inpatient substance use disorder care</li> </ul>	No deductible for outpatient care Deductible required for inpatient care HAP provides benefits for: <ul style="list-style-type: none"> <li>• Outpatient mental health</li> <li>• Inpatient mental health</li> <li>• Outpatient substance use disorder care</li> <li>• Inpatient substance use disorder care</li> </ul>
<b>Applied Behavioral Analysis (ABA)</b> (autism treatment)	<ul style="list-style-type: none"> <li>• Deductible required</li> <li>• <b>In-network care:</b> You're responsible for 20% of covered charges</li> <li>• <b>Out-of-network care:</b> You're responsible for 40% of covered charges</li> </ul> <p><b>Preauthorization required with Carelon Behavioral Health</b></p>	<ul style="list-style-type: none"> <li>• No deductible</li> <li>• Free</li> <li>• No limits through Carelon Behavioral Health</li> </ul> <p><b>Anthem members:</b> Carelon Behavioral Health provides this coverage</p> <p><b>Kaiser Permanente members:</b> You may use Carelon Behavioral Health or Kaiser Permanente</p> <p><b>Preauthorization required with Carelon Behavioral Health</b></p>
<b>Health Care Flexible Spending Account (FSA)</b> You must elect it to participate in it	<p>If you have an HSA, the Health Care FSA is a Limited-Purpose FSA.</p> <p><b>Before you meet the HDHP deductible, the Limited-Purpose FSA can be used only for:</b></p> <ul style="list-style-type: none"> <li>• Dental</li> <li>• Vision</li> <li>• Dental and vision over-the-counter expenses</li> </ul> <p><b>After you meet the HDHP deductible, the FSA can be used for all of the above plus:</b></p> <ul style="list-style-type: none"> <li>• Medical</li> <li>• Prescription drug</li> <li>• Mental health and substance use disorder</li> <li>• Eligible over-the-counter health expenses</li> </ul>	<p><b>Health Care FSA for:</b></p> <ul style="list-style-type: none"> <li>• Medical</li> <li>• Prescription drug</li> <li>• Mental health and substance use disorder</li> <li>• Dental</li> <li>• Vision</li> <li>• Eligible over-the-counter health expenses</li> </ul>

Attachment B2

## **Free Preventive Drug Coverage**

### **Evernorth (Formerly Express Scripts)**

[https://www.express-scripts.com/art/open\\_enrollment/StdPreventMedList.pdf](https://www.express-scripts.com/art/open_enrollment/StdPreventMedList.pdf)

### **Kaiser**

[https://healthy.kaiserpermanente.org/content/dam/kporg/final/documents/formularies/ca/deductible-epo-self-funded-plans-formulary-ca-en.pdf?kp\\_shortcut\\_referrer=kp.org/formulary](https://healthy.kaiserpermanente.org/content/dam/kporg/final/documents/formularies/ca/deductible-epo-self-funded-plans-formulary-ca-en.pdf?kp_shortcut_referrer=kp.org/formulary)

## Free Preventive Services

### A & B Recommendations

A listing of all the Recommendations with a grade of either A or B.

A and B grade recommendations are services that the Task Force most highly recommends implementing for preventive care and that are also relevant for implementing the Affordable Care Act. These preventive services have a high or moderate net benefit for patients.

Topic	Description	Grade	Release Date of Current Recommendation
Abdominal Aortic Aneurysm: Screening: men aged 65 to 75 years who have ever smoked	The USPSTF recommends 1-time screening for abdominal aortic aneurysm (AAA) with ultrasonography in men aged 65 to 75 years who have ever smoked.	B	December 2019 *
Anxiety Disorders in Adults: Screening: adults 64 years or younger, including pregnant and postpartum persons	The USPSTF recommends screening for anxiety disorders in adults, including pregnant and postpartum persons.	B	June 2023
Anxiety in Children and Adolescents: Screening: children and adolescents aged 8 to 18 years	The USPSTF recommends screening for anxiety in children and adolescents aged 8 to 18 years.	B	October 2022
Aspirin Use to Prevent Preeclampsia and Related Morbidity and Mortality: Preventive Medication: pregnant persons at high risk for preeclampsia	The USPSTF recommends the use of low-dose aspirin (81 mg/day) as preventive medication after 12 weeks of gestation in persons who are at high risk for preeclampsia. See the Practice Considerations section for information on high risk and aspirin dose.	B	September 2021 *
Asymptomatic Bacteriuria in Adults: Screening: pregnant persons	The USPSTF recommends screening for asymptomatic bacteriuria using urine culture in pregnant persons.	B	September 2019 *
BRCA-Related Cancer: Risk Assessment, Genetic Counseling, and Genetic Testing: women with a personal or family history of breast, ovarian, tubal, or peritoneal cancer or an ancestry associated with brca1/2 gene mutation	The USPSTF recommends that primary care clinicians assess women with a personal or family history of breast, ovarian, tubal, or peritoneal cancer or who have an ancestry associated with breast cancer susceptibility 1 and 2 (BRCA1/2) gene mutations with an appropriate brief familial risk assessment tool. Women with a positive result on the risk assessment tool should receive genetic counseling and, if indicated after counseling, genetic testing.	B	August 2019 *

## Attachment B3

Breast Cancer: Medication Use to Reduce Risk: women at increased risk for breast cancer aged 35 years or older	The USPSTF recommends that clinicians offer to prescribe risk-reducing medications, such as tamoxifen, raloxifene, or aromatase inhibitors, to women who are at increased risk for breast cancer and at low risk for adverse medication effects.	B	September 2019 *
Breast Cancer: Screening: women aged 40 to 74 years	The USPSTF recommends biennial screening mammography for women aged 40 to 74 years. †	B	April 2024 *
Breastfeeding: Primary Care Behavioral Counseling Interventions: pregnant and postpartum women	The USPSTF recommends providing interventions or referrals, during pregnancy and after birth, to support breastfeeding.	B	April 2025 *
Cervical Cancer: Screening: women aged 21 to 65 years	The USPSTF recommends screening for cervical cancer every 3 years with cervical cytology alone in women aged 21 to 29 years. For women aged 30 to 65 years, the USPSTF recommends screening every 3 years with cervical cytology alone, every 5 years with high-risk human papillomavirus (hrHPV) testing alone, or every 5 years with hrHPV testing in combination with cytology (cotesting). See the Clinical Considerations section for the relative benefits and harms of alternative screening strategies for women 21 years or older.	A	August 2018 *
Chlamydia and Gonorrhea: Screening: sexually active women, including pregnant persons	The USPSTF recommends screening for gonorrhea in all sexually active women 24 years or younger and in women 25 years or older who are at increased risk for infection.	B	September 2021 *
Chlamydia and Gonorrhea: Screening: sexually active women, including pregnant persons	The USPSTF recommends screening for chlamydia in all sexually active women 24 years or younger and in women 25 years or older who are at increased risk for infection.	B	September 2021 *
Colorectal Cancer: Screening: adults aged 45 to 49 years	The USPSTF recommends screening for colorectal cancer in adults aged 45 to 49 years. See the "Practice Considerations" section and Table 1 for details about screening strategies.	B	May 2021 *
Colorectal Cancer: Screening: adults aged 50 to 75 years	The USPSTF recommends screening for colorectal cancer in all adults aged 50 to 75 years. See the "Practice Considerations" section and Table 1 for details about screening strategies.	A	May 2021 *
Depression and Suicide Risk in Adults: Screening: adults, including pregnant and postpartum persons, and older adults (65 years or older)	The USPSTF recommends screening for depression in the adult population, including pregnant and postpartum persons, as well as older adults.	B	June 2023 *

## Attachment B3

Depression and Suicide Risk in Children and Adolescents: Screening: adolescents aged 12 to 18 years	The USPSTF recommends screening for major depressive disorder (MDD) in adolescents aged 12 to 18 years.	B	October 2022 *
Falls Prevention in Community-Dwelling Older Adults: Interventions: community-dwelling adults 65 years or older	The USPSTF recommends exercise interventions to prevent falls in community-dwelling adults 65 years or older who are at increased risk for falls.	B	June 2024
Folic Acid Supplementation to Prevent Neural Tube Defects: Preventive Medication: persons who plan to or could become pregnant	The USPSTF recommends that all persons planning to or who could become pregnant take a daily supplement containing 0.4 to 0.8 mg (400 to 800 mcg) of folic acid.	A	August 2023 *
Gestational Diabetes: Screening: asymptomatic pregnant persons at 24 weeks of gestation or after	The USPSTF recommends screening for gestational diabetes in asymptomatic pregnant persons at 24 weeks of gestation or after.	B	August 2021 *
Healthy Diet and Physical Activity for Cardiovascular Disease Prevention in Adults With Cardiovascular Risk Factors: Behavioral Counseling Interventions: adults with cardiovascular disease risk factors	The USPSTF recommends offering or referring adults with cardiovascular disease risk factors to behavioral counseling interventions to promote a healthy diet and physical activity.	B	November 2020 *
Healthy Weight and Weight Gain In Pregnancy: Behavioral Counseling Interventions: pregnant persons	The USPSTF recommends that clinicians offer pregnant persons effective behavioral counseling interventions aimed at promoting healthy weight gain and preventing excess gestational weight gain in pregnancy.	B	May 2021
Hepatitis B Virus Infection in Adolescents and Adults: Screening: adolescents and adults at increased risk for infection	The USPSTF recommends screening for hepatitis B virus (HBV) infection in adolescents and adults at increased risk for infection. See the Practice Considerations section for a description of adolescents and adults at increased risk for infection.	B	December 2020 *
Hepatitis B Virus Infection in Pregnant Women: Screening: pregnant women	The USPSTF recommends screening for hepatitis B virus (HBV) infection in pregnant women at their first prenatal visit	A	July 2019 *
Hepatitis C Virus Infection in Adolescents and Adults: Screening: adults aged 18 to 79 years	The USPSTF recommends screening for hepatitis C virus (HCV) infection in adults aged 18 to 79 years.	B	March 2020 *

## Attachment B3

High Body Mass Index in Children and Adolescents: Interventions: children and adolescents 6 years or older	The USPSTF recommends that clinicians provide or refer children and adolescents 6 years or older with a high body mass index (BMI) (≥95th percentile for age and sex) to comprehensive, intensive behavioral interventions. See the Practice Considerations section for more information about behavioral interventions.	B	June 2024 *
Human Immunodeficiency Virus (HIV) Infection: Screening: adolescents and adults aged 15 to 65 years	The USPSTF recommends that clinicians screen for HIV infection in adolescents and adults aged 15 to 65 years. Younger adolescents and older adults who are at increased risk of infection should also be screened. See the Clinical Considerations section for more information about assessment of risk, screening intervals, and rescreening in pregnancy.	A	June 2019 *
Human Immunodeficiency Virus (HIV) Infection: Screening: pregnant persons	The USPSTF recommends that clinicians screen for HIV infection in all pregnant persons, including those who present in labor or at delivery whose HIV status is unknown.	A	June 2019 *
Hypertension in Adults: Screening: adults 18 years or older without known hypertension	The USPSTF recommends screening for hypertension in adults 18 years or older with office blood pressure measurement (OBPM). The USPSTF recommends obtaining blood pressure measurements outside of the clinical setting for diagnostic confirmation before starting treatment.	A	April 2021 *
Hypertensive Disorders of Pregnancy: Screening: asymptomatic pregnant persons	The USPSTF recommends screening for hypertensive disorders in pregnant persons with blood pressure measurements throughout pregnancy.	B	September 2023 *
Intimate Partner Violence and Caregiver Abuse of Older or Vulnerable Adults: Screening: women of reproductive age, including pregnant and postpartum women	The USPSTF recommends that clinicians screen for intimate partner violence (IPV) in women of reproductive age, including those who are pregnant and postpartum. See the "Practice Considerations" section for information on evidence-based multicomponent interventions and for information on IPV in men.	B	June 2025 *
Latent Tuberculosis Infection in Adults: Screening: asymptomatic adults at increased risk of latent tuberculosis infection (ltbi)	The USPSTF recommends screening for LTBI in populations at increased risk. See the "Assessment of Risk" section for additional information on adults at increased risk.	B	May 2023 *
Lung Cancer: Screening: adults aged 50 to 80 years who have a 20 pack-year smoking history and currently smoke or have quit within the past 15 years	The USPSTF recommends annual screening for lung cancer with low-dose computed tomography (LDCT) in adults aged 50 to 80 years who have a 20 pack-year smoking history and currently smoke or have quit within the past 15 years. Screening should be discontinued once a person has not smoked for 15 years or develops a health problem that substantially limits life expectancy or the ability or willingness to have curative lung surgery.	B	March 2021 *

## Attachment B3

Ocular Prophylaxis for Gonococcal Ophthalmia Neonatorum: Preventive Medication: newborns	The USPSTF recommends prophylactic ocular topical medication for all newborns to prevent gonococcal ophthalmia neonatorum.	A	January 2019 *
Osteoporosis to Prevent Fractures: Screening: postmenopausal women younger than 65 years with 1 or more risk factors for osteoporosis	The USPSTF recommends screening for osteoporosis to prevent osteoporotic fractures in postmenopausal women younger than 65 years who are at increased risk for an osteoporotic fracture as estimated by clinical risk assessment. See the "Practice Considerations" section for more information on risk assessment and screening tests.	B	January 2025 *
Osteoporosis to Prevent Fractures: Screening: women 65 years or older	The USPSTF recommends screening for osteoporosis to prevent osteoporotic fractures in women 65 years or older. See the "Practice Considerations" section for more information on screening tests.	B	January 2025 *
Perinatal Depression: Preventive Interventions: pregnant and postpartum persons	The USPSTF recommends that clinicians provide or refer pregnant and postpartum persons who are at increased risk of perinatal depression to counseling interventions.	B	February 2019
Prediabetes and Type 2 Diabetes: Screening: asymptomatic adults aged 35 to 70 years who have overweight or obesity	The USPSTF recommends screening for prediabetes and type 2 diabetes in adults aged 35 to 70 years who have overweight or obesity. Clinicians should offer or refer patients with prediabetes to effective preventive interventions.	B	August 2021 *
Prevention of Acquisition of HIV: Preexposure Prophylaxis: adolescents and adults at increased risk of hiv	The USPSTF recommends that clinicians prescribe preexposure prophylaxis using effective antiretroviral therapy to persons who are at increased risk of HIV acquisition to decrease the risk of acquiring HIV. See the Practice Considerations section for more information about identification of persons at increased risk and about effective antiretroviral therapy.	A	August 2023 *
Prevention of Dental Caries in Children Younger Than 5 Years: Screening and Interventions: children younger than 5 years	The USPSTF recommends that primary care clinicians apply fluoride varnish to the primary teeth of all infants and children starting at the age of primary tooth eruption.	B	December 2021 *
Prevention of Dental Caries in Children Younger Than 5 Years: Screening and Interventions: children younger than 5 years	The USPSTF recommends that primary care clinicians prescribe oral fluoride supplementation starting at age 6 months for children whose water supply is deficient in fluoride.	B	December 2021 *
Rh(D) Incompatibility: Screening: pregnant women, during the first pregnancy-related care visit	The USPSTF strongly recommends Rh(D) blood typing and antibody testing for all pregnant women during their first visit for pregnancy-related care.	A	February 2004 *

## Attachment B3

Rh(D) Incompatibility: Screening: unsensitized rh(d)-negative pregnant women	The USPSTF recommends repeated Rh(D) antibody testing for all unsensitized Rh(D)-negative women at 24 to 28 weeks' gestation, unless the biological father is known to be Rh(D)-negative.	B	February 2004 *
Sexually Transmitted Infections: Behavioral Counseling: sexually active adolescents and adults at increased risk	The USPSTF recommends behavioral counseling for all sexually active adolescents and for adults who are at increased risk for sexually transmitted infections (STIs). See the Practice Considerations section for more information on populations at increased risk for acquiring STIs.	B	August 2020 *
Skin Cancer Prevention: Behavioral Counseling: young adults, adolescents, children, and parents of young children	The USPSTF recommends counseling young adults, adolescents, children, and parents of young children about minimizing exposure to ultraviolet (UV) radiation for persons aged 6 months to 24 years with fair skin types to reduce their risk of skin cancer.	B	March 2018 *
Statin Use for the Primary Prevention of Cardiovascular Disease in Adults: Preventive Medication: adults aged 40 to 75 years who have 1 or more cardiovascular risk factors and an estimated 10-year cardiovascular disease (cvd) risk of 10% or greater	The USPSTF recommends that clinicians prescribe a statin for the primary prevention of CVD for adults aged 40 to 75 years who have 1 or more CVD risk factors (i.e. dyslipidemia, diabetes, hypertension, or smoking) and an estimated 10-year risk of a cardiovascular event of 10% or greater.	B	August 2022 *
Syphilis Infection During Pregnancy: Screening: asymptomatic pregnant women	The USPSTF recommends early, universal screening for syphilis infection during pregnancy; if an individual is not screened early in pregnancy, the USPSTF recommends screening at the first available opportunity.	A	May 2025 *
Syphilis Infection in Nonpregnant Adolescents and Adults: Screening: asymptomatic, nonpregnant adolescents and adults who are at increased risk for syphilis infection	The USPSTF recommends screening for syphilis infection in persons who are at increased risk for infection.	A	September 2022 *
Tobacco Smoking Cessation in Adults, Including Pregnant Persons: Interventions: nonpregnant adults	The USPSTF recommends that clinicians ask all adults about tobacco use, advise them to stop using tobacco, and provide behavioral interventions and US Food and Drug Administration (FDA)--approved pharmacotherapy for cessation to nonpregnant adults who use tobacco.	A	January 2021 *
Tobacco Smoking Cessation in Adults, Including Pregnant Persons: Interventions: pregnant persons	The USPSTF recommends that clinicians ask all pregnant persons about tobacco use, advise them to stop using tobacco, and provide behavioral interventions for cessation to pregnant persons who use tobacco.	A	January 2021 *
Tobacco Use in Children and Adolescents: Primary Care Interventions: school-aged children and adolescents who have not started to use tobacco	The USPSTF recommends that primary care clinicians provide interventions, including education or brief counseling, to prevent initiation of tobacco use among school-aged children and adolescents.	B	April 2020 *
Unhealthy Alcohol Use in Adolescents and Adults: Screening and Behavioral Counseling Interventions: adults 18 years or older, including pregnant women	The USPSTF recommends screening for unhealthy alcohol use in primary care settings in adults 18 years or older, including pregnant women, and providing persons engaged in risky or hazardous drinking with brief behavioral counseling interventions to reduce unhealthy alcohol use.	B	November 2018 *
Unhealthy Drug Use: Screening: adults age 18 years or older	The USPSTF recommends screening by asking questions about unhealthy drug use in adults age 18 years or older. Screening should be implemented when services for accurate diagnosis, effective treatment, and appropriate care can be offered or referred. (Screening refers to asking questions about unhealthy drug use, not testing biological specimens.)	B	June 2020
Vision in Children Ages 6 Months to 5 Years: Screening: children aged 3 to 5 years	The USPSTF recommends vision screening at least once in all children aged 3 to 5 years to detect amblyopia or its risk factors.	B	September 2017 *
Weight Loss to Prevent Obesity-Related Morbidity and Mortality in Adults: Behavioral Interventions: adults	The USPSTF recommends that clinicians offer or refer adults with a body mass index (BMI) of 30 or higher (calculated as weight in kilograms divided by height in meters squared) to intensive, multicomponent behavioral interventions.	B	September 2018 *

†The Department of Health and Human Services, under the standards set out in revised Section 2713(a)(5) of the Public Health Service Act and Section 223 of the 2021 Consolidated Appropriations Act, utilizes the 2002 recommendation on breast cancer screening of the U.S. Preventive Services Task Force. To see the USPSTF 2016 recommendation on breast cancer screening, go to <http://www.uspreventiveservicestaskforce.org/uspstf/recommendation/breast-cancer-screening1>.

\*Previous recommendation was an "A" or "B."

**DENTAL**

	<b>New Base Plan Design</b>	<b>“Buy Up” Enhanced Plan</b>
<b>Preventive</b>	<b>100%</b>	<b>100%</b>
<b>Basic</b>	<b>85%</b>	<b>90%</b>
<b>Major</b>	<b>85%</b>	<b>90%</b>
<b>Deductible</b>	<b>Passive PPO: \$25/\$75 Premier: \$50/\$150</b>	<b>Passive PPO: \$25/\$75 Premier: \$50/\$150</b>
<b>Annual max</b>	<b>\$2,500</b>	<b>\$2,500</b>
<b>Orthodontics</b>	<b>50%</b>	<b>50%</b>
<b>Lifetime Orthodontics max</b>	<b>\$2,000</b>	<b>\$3,000</b>
<b>Out of Pocket Max reimbursement</b>	<b>80<sup>th</sup> percentile</b>	<b>80<sup>th</sup> percentile</b>

Attachment B5

**VISION**

Details of buy up option or second vendor will be available during open enrollment.

Attachment B6

**BASIC LIFE INSURANCE and ACCIDENTAL DEATH AND  
DISMEMBERMENT (AD&D)**

Company will offer each employee basic life and accidental death and dismemberment (AD&D) of \$50,000 at no cost.

## Attachment B7

The following will be a Memorandum of Understanding (MOU) signed upon ratification of the agreement.

The Company and the union discussed the impact of January 1, 2027 changes to active medical plans for deductibles and out of pocket maximums when members utilize Out of Network (OON) providers. The intent of this Memorandum of Understanding (MOU) is to define OON, provide clarity on when the OON Deductible will apply, clarify when claims that would normally be treated as OON will be treated and paid as in-network, and document the process for Appealing a Denial of Pre-Service or Post-Service Request for In-Network Treatment of Out-of-Network Provider.

Consistent with the active medical plan and current administrative procedures, the plan administrator of the active employee medical plan has authorization to determine whether an Out-of-Network provider should be treated as an In-Network provider subject to the guidelines summarized below. On an annual basis, geographical areas shall be identified as Rural, Suburban, or Urban based on the definitions below.

Urban – Population density is greater than 3,000 persons per square mile.

Suburban – Population density is between 1,000 and 3,000 persons per square mile.

Rural – Population density is less than 1,000 persons per square mile.

The table below is utilized to determine if there are sufficient numbers of in-network providers within the mileage specified from the member's residence for services to be considered in-network or out-of-network (OON):

Provider	Urban	Suburban	Rural
PCPs	Two within five miles	Two within 10 miles	Two within 20 miles
OB/GYNs	Two within five miles	Two within 10 miles	Two within 20 miles
Pediatricians	Two within five miles	Two within 10 miles	Two within 20 miles
All other specialists	Two within five miles	Two within 10 miles	Two within 20 miles
Acute care hospitals	One within five miles	One within 10 miles	One within 25 miles

1. If the Criteria for In-Network providers from the above table are not met, providers chosen by the member that are licensed in the area of care being sought by the member shall be treated as In-Network for purposes of coverage levels, deductibles, and out of pocket contributions by the member. Note: Authorization does not guarantee the provider will bill the insurance directly so the member may be required to pay up front and submit for reimbursement.
2. If there is an insufficient number of in-network providers in a given specialty (e.g. cardiologist, endocrinologist, dermatologist etc.) within the miles listed in the table above, an OON specialist that is licensed in the area of care being sought by the member and chosen by the member, shall be treated as In-Network.
3. Example: A member lives in San Luis Obispo and needs to see an Orthopedist. There is only one In-network Orthopedist within the mileage limits above. The member would be able to submit a pre-service request to treat an OON Orthopedist as In-Network and once

the plan administrator confirms this meets this MOU's guidelines, all claims would be treated as In-Network.

Note: Authorization does not guarantee the provider will bill the insurance directly so the member may be required to pay up front and submit for reimbursement.

4. Even if the conditions in the table above are met for a sufficient number of in-network providers, if an In-Network provider is not available within a medically necessary timeframe, the member may request a pre-service authorization for an OON provider to be treated as In-Network. If the request meets the conditions of this MOU, such request shall be granted and the authorized provider who is licensed in the area of care being sought by the member, shall be treated as in-network.
5. If an In-Network provider refers a member to an OON provider and the conditions in this MOU are met (e.g. not enough providers in the network for that specialty), the OON provider the member is referred to shall be treated as In-Network so long as the provider is licensed in the area of care being sought by the member.
6. If a member receives treatment at an In-Network facility, all claims resulting from the treatment will be treated as In-Network.
  - a. Example: A member is hospitalized at an In-Network facility and the treating Anesthesiologist is OON, the claims from the Anesthesiologist will be treated as In-Network.

If an In-Network provider becomes OON, the member may appeal to request that claims with the provider continue to be covered as In-Network for 180 days. Such request shall be granted upon verification by the plan administrator the conditions of this MOU are met.

7. Once an In-Network authorization has been granted for an OON provider, said authorization shall remain in effect for 180 days regardless if other providers are added to the network. If adequate coverage with an in-network provider becomes available during the 180-day period, the medical plan administrator will notify the participants of new network provider availability, and the participant can decide to move to the in-network provider at the end of their 180-day period, or continue with the OON provider and have claims processed as OON. Coverage during the 180-day period for the authorized OON provider will be treated as In-Network. Members are able to check in-network availability online, via 800 number, or in the Sydney app.
8. The plan administrator retains discretion to deny approval of specific Out-of-Network providers as an In-Network provider if the conditions of this MOU are not met.
9. Denial of a request for In Network treatment of an Out-of-Network provider, or other disputes regarding Out-of- Network coverage, will not be subject to the Parties' grievance procedures under the collective bargaining agreement. However, a member can appeal

a denial of a request for In-Network services from an Out-of-Network provider, as described below.

Process for Appealing a Denial of Pre-Service or Post-Service Request for In-Network Treatment of Out-of-Network Provider:

1. Member appeals through the plan administrator appeal process (once an Advocacy Services Provider is established, the appeal process will start with them).
2. If the appeal is denied, PG&E shall be notified of the denial and the denial shall be forwarded to PG&E Benefits for evaluation.

## RETIREE MEDICAL

Update subsidies to replace those currently being provided under Retiree Medical Employer Contribution (RMEC) and Retiree Medical Savings Account (RMSA)

Establish a Retiree Health Reimbursement Account (RHRA) to credit the new pre-Medicare and Medicare subsidy replacements as follows:

Pre-Medicare Retirees and Pre-Medicare eligible spouses - \$15,000 each per year

Medicare Retirees and Medicare eligible spouses - \$1,800 each per year

Current notional accounts to be updated (RMEC/RMSA) to eliminate balance (no grandfathering option) and set pre-Medicare and post Medicare subsidy levels with an automatic escalation (cost of living adjustment).

Improve retiree experience – concierge support for plan selection and enrollment. Expert, unbiased guidance from licensed benefit advisors.

Pensioners would pay premium directly to the carrier of the coverage they select instead of monthly pension check and be reimbursed through RHRA.

Eliminate PG&E sponsored retiree major medical options and leverage the marketplace to provide access to more cost-effective health plans.

Retiree Health Reimbursement Account (RHRA):

1. No RHRA funds accumulation limit.
2. Any HRA funds accumulated while active transfer to the RHRA upon retirement as long as the employee is eligible (age 55 with 10 Years of Service) until balance is depleted.
3. Prior RHRA funds balance maintained when retirees become Medicare eligible.
4. All IRS eligible expenses qualify for RHRA reimbursement.
5. Accumulated RHRA funds will be available to retirees whether or not they are enrolled in the PG&E selected Individual Insurance exchange.
6. Debit card to be provided to participants for qualified expenses payment – as long as administratively possible.
7. Automatic annual funding rate escalator of 3% for the Pre-Medicare RHRA subsidy amount.
8. Automatic annual funding rate escalator of 3% for the Medicare RHRA subsidy amount.
9. Funding level of \$15,000 for Pre-Medicare eligible retiree only/Pre-Medicare eligible spouse per year.
10. Funding level of \$1,800 for Medicare eligible retiree only/Medicare eligible spouse per year.
11. RHRA funds of annual funding amount available upon effective date of RHRA plan as long as the retiree is enrolled in the PG&E selected Individual Insurance Exchange.

12. RHRA funding once per year in January as long as the retiree is enrolled in the PG&E selected Individual Insurance Exchange.
13. If a retiree is Medicare eligible and has a RHRA eligible spouse who is not Medicare eligible, the spouse RHRA will be funded at the Pre-Medicare retiree rate while the retiree RHRA will be funded at the Medicare rate and vice versa.
14. In the event a retiree passes away with an eligible surviving spouse on their RHRA at the time of passing, the surviving spouse shall continue to have their RHRA funded annually as long as their eligibility for the plan continues.
15. Hearing Aid benefits provided in LA-13-68 shall continue to be available for retirees whether or not they are enrolled in the PG&E Exchange
16. In accordance with the Affordable Care Act, a participant who chooses to take the Affordable Care Act Premium Tax Credit would have any prior RHRA funds frozen and unavailable until such time as they choose to use the provided employer subsidy or becomes Medicare eligible

*Pat Duffy*

4.27.26



4/27/26