



# LETTER AGREEMENT NO. 14-01-PGE



PACIFIC GAS AND ELECTRIC COMPANY  
LABOR RELATIONS AND HUMAN RESOURCES DEPARTMENT  
375 N. WIGET LANE  
SUITE 130  
WALNUT CREEK, CA 94598  
925.974.4401

STEPHEN RAYBURN  
DIRECTOR AND CHIEF NEGOTIATOR

INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS, AFL-CIO  
LOCAL UNION 1245, I.B.E.W.  
P.O. BOX 2547  
VACAVILLE, CALIFORNIA 95696  
707.452.2700

TOM DALZELL  
BUSINESS MANAGER

January 3, 2014

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

Dear Mr. Dalzell:

This letter agreement supersedes Letter Agreements 00-33, 92-48 and 91-113. It is not the intent to change any of the provisions of these letter agreements but to consolidate and update them into one document to allow for easier application of the incentive, recognition and reward provisions and add a provision for upgrades to non-represented positions. Letter Agreement R1-12-03 will continue to apply to clerical employees in the Customer Care organization. Physical employees in the Customer Care organization will be covered by this letter agreement.

Pursuant to Section 2.1 of the Physical and Clerical Agreements, the Company proposes the following guidelines concerning incentive, recognition and reward systems:

## PURPOSE

In making this proposal it is the intent of the Company to set out guidelines under which local recognition/award systems can be designed and implemented. The reasoning behind these systems is to provide local management with a mechanism to recognize outstanding work by either an individual or group, and to promote or incite employees to work toward a specific goal or objective. Any reward/award system set up under the guidelines set out below is intended to be "de minimis" in nature.

In proposing this agreement, the Company recognizes IBEW Local 1245 as the sole and exclusive bargaining representative for its represented employees. No section of this agreement is intended to challenge that exclusive right to representation. In addition, it is not the intent of this agreement to interfere with mandatory subjects of bargaining, and specifically those subjects that are reserved for general negotiations. Furthermore, this agreement is not intended to detract from such items as general wage increases and performance incentives in future general negotiation sessions.

## TYPES OF RECOGNITION

Recognition awards under this agreement are intended to be goods or services with a value not to exceed \$200.00. 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, granted additional paid time off is not permitted.

## FREQUENCY OF AWARDS

The \$200.00 award limit is per employee per calendar quarter.

## ELIGIBILITY

Any program developed under this agreement must provide for the equal opportunity to participate along Department and Headquarters boundaries. For example, a local recognition program could be developed that provides a dinner for two gift certificate (value of \$40.00) given once per month to an employee in the Electric T&D (Department) at the Oakport Service Center (Headquarters). All the employees within Electric T&D at Oakport would have to be eligible for the gift certificate. It would not be appropriate to set up such a program where only the inspection group within Electric T&D could be recognized. (Note: For the purpose of this agreement, General Construction service territory will be defined by the Superintendent area or equivalent.) Nothing about this agreement implies all employees should or will receive something, only that all will be eligible under the definition described above.

## IMPLEMENTATION

Programs that conform to this agreement are intended to be developed locally and implemented at the discretion of local management. The local Business Representative will be notified of any new program at least fifteen days prior to implementation. In addition, the local Business Representative may request a review of any and all programs at any time.

Any program that falls outside the parameters of this agreement must be negotiated between Company and Union and would require the approval of the Union Business Manager and the Company's Manager of Industrial Relations.

## EXISTING PROGRAMS

All preexisting programs, with the exception of those noted herein, will be reviewed locally by Company and Union for their compliance with the parameters of this letter of agreement. Any program found to be not in compliance will be modified or cancelled.

## NON-COMPETITIVE PROGRAMS

Any program developed under this agreement 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.

## SAFETY PROGRAMS

In order to establish incentive programs that relate to safety, the system must be structured so as not to discourage the reporting of accidents. The safety programs are intended normally to be after the fact rewards. Safety programs are to be approved by the local Business Representative prior to implementation. Nothing in this section is intended to impact current practices such as 1,000,000 man hour awards or safety barbecues.

## CONSEQUENCES OF NONCOMPLIANCE

If programs are undertaken that do not meet the above guidelines, all programs within the Division, Department or other equivalent unit will be cancelled for a one year period.

This cancellation may be avoided if Company cancels the individual out-of-compliance program within fifteen days following written notification of a violation to the Division Manager, Department Manager or equivalent, by the Union's Business Representative. However, a second notice of a proven out-of-compliance program will result in a one year suspension of all programs within the Division, Department, or other equivalent unit regardless of whether the first violation was corrected within the fifteen days.



## PROGRAMS/AREAS SPECIFICALLY EXCLUDED

Programs such as , PSEA, Campaign for the Community, , time off associated with Christmas Eve and New Year's Eve, and Good Friday or any other time authorized by the Company to observe religious services, in their present form, as well as any other program addressed in a specific agreement will not be subject to this letter agreement.

## RELIGIOUS SERVICES

Traditionally, employees are released between the hours of 12:00 p.m. and 3:00 p.m. for the purpose of attending religious services in observation of Good Friday. Only those employees attending such religious services are excused. This decision to excuse employees is made each year by the Chairman of the Board. This language would include any other time off authorized by the Company in observation of religious services.

With the exception of the Christmas/New Year's eve and Religious Services examples, none of the above mentioned programs may grant additional time off with pay.

## 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.

## CANCELLATION

Either the Company or Union reserves the right to cancel this agreement with 30 days written notice.

If you agree, please so indicate in the space provided below and return one executed copy of this letter to the Company.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: 


Stephen A. Rayburn  
Director and Chief Negotiator

The Union is in agreement.

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

By: 

Tom Dalzell  
Business Manager

 January 13, 2014