PACIFIC GAS AND ELECTRIC COMPANY

245 MARKET STREET + SAN FRANCISCO, CALIFORNIA 94106 - (415) 781-421; + TWX 910-372-6587

March 12, 1987

Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P. C. Box 4790
Walnut Creek, California 94596

Attention: Mr. Jack McNally, Business Manager

Gentlemen:

The Company proposes, pursuant to Section 202.16 of the Physical Agreement and generic Letter Agreement 86-155-PGE, to establish a ten-hour, four-day workweek schedule in the Eureka Electric T&D Department. The effective date of this agreement will be the first Monday following the signing of this agreement by the Union and will continue until approximately October 20, 1987.

This proposal will follow generic Agreement 86-155-PGE with the exception of the specific proposals outlined below:

The schedule for participants will be from 0700 to 1730, with the exception of the Foreman's Clerk whose workday will be 0600 to 1630. This employee's normal work hours are 0700 to 1530.

The Eureka Troublemen will not be included in this proposed trial ten-hour, four-day workweek and, therefore, will continue their normal work schedules.

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

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

By Manager of Industrial Relations

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

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

March 18, 1987

Business Manager