



LETTER AGREEMENT NO. R1-04-12-PGE



PACIFIC GAS AND ELECTRIC COMPANY
INDUSTRIAL RELATIONS DEPARTMENT
2850 SHADELANDS DRIVE, SUITE 100
WALNUT CREEK, CALIFORNIA 94598
(925) 974-4104

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W.
P.O. BOX 2547
VACAVILLE, CALIFORNIA 95696
707-452-2700

STEPHEN A. RAYBURN, DIRECTOR
AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN, BUSINESS MANAGER

September 29, 2004

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

Dear Mr. Zimmerman:

The Company and IBEW, Local 1245, recognize a need to continue to utilize temporary employees to meet the interests of both parties. Some of the factors include: (1) to have qualified personnel perform work that is temporary in nature; (2) to have interim work performed in classifications that will be modified or eliminated as a result of technological advances; (3) to avoid the implementation of the demotion and layoff procedures as a result of adding employees to the regular workforce for work that will not continue in the near future; (4) to provide employment security for the regular workforce; and (5) to work together cooperatively to meet the objectives of both parties.

It is not the intent of the parties to have temporary employees replace regular employees. Notwithstanding any other understanding between the parties, the Company shall not involuntarily lay off any regular employee for lack of work in a department system-wide where temporary hiring hall employees are being utilized.

The parties recognize that there are various other methods for staffing temporary positions in addition to Hiring Hall. These are included in the Physical Agreement under Section 106.12, "Temporary Additional" and Subsection 106.5(b), "Casual" and in the Clerical Agreement under Section 17.5 and Section 24.5, "Agency." The parties also recognize a need to re-establish the "Summer Hire" Program to introduce students to the Utility industry.

The Company and Union also see value in establishing a separate "Special Project or Special Condition" Agreement. These new Hiring Hall Committee Agreements would be utilized when a temporary need to supplement the workforce exists outside the guidelines and the intent of the Hiring Hall Letter of Agreement. The Hiring Hall Committee Agreement template will identify the temporary project or condition, classification(s) needed to supplement the regular workforce, and the specific length of the assignment (i.e., CorDaptix™, DCPD refueling, hydro projects, long-term backfills behind injured, ill and/or absent employees, etc.).

This proposal supersedes Letter of Agreement 01-09 regarding temporary employment within the IBEW bargaining unit at PG&E. This Letter Agreement also governs Hiring Hall Meter Readers. However, the parties do not intend to change the terms of what was previously agreed to for Meter Readers being able to work beyond 12 consecutive months.

The Physical and Clerical Agreements shall apply to temporary employees unless otherwise specifically agreed to by the Company and Union in writing.

Attached are the following: (1) Revised Hiring Hall Process and Procedures and temporary employee guidelines, (2) Special Project or Special Condition Committee Agreements template, and (3) Summer Hire Program guidelines and template.

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.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY

By: s/Stephen A. Rayburn
Stephen A. Rayburn
Director and Chief Negotiator

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

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

October 8, 2004

By: s/Perry Zimmerman
Perry Zimmerman
Business Manager

HIRING HALL PROCESS AND PROCEDURES

Prior to utilizing Hiring Hall, the Company shall first fill all temporary vacancies at a headquarters per Sections 205.3 and 305.4 of the Physical Agreement and 18.3 of the Clerical Agreement.

The Company may continue to hire temporary employees under the provisions of 1) Section 106.12 and Subsection 106.5(b) of the Physical Agreement, 2) Sections 17.5 and 24.5 of the Clerical Agreement, and 3) the Special Project/Condition Committee Agreement template. The agency employment provisions of the Clerical Agreement shall be limited to an exception basis and to short-term emergency situations not to exceed 30 continuous days, with one exception: when the Hiring Hall does not have a candidate available to dispatch for a clerical position, the Company may use an agency or contract employee provided a requisition for a Hiring Hall candidate is maintained at the Union Hiring Hall until the first of the following occurs: 1) The Union has a candidate ready for dispatch, 2) The assignment ends, or 3) 60 days have passed since the submission of the requisition.

Temporary additional Hiring Hall employees will be hired through the Union's Hiring Hall, except as specified in this Letter Agreement.

All candidates must meet PG&E's pre-employment testing requirements and pass drug and background checks prior to dispatch.

SECTION I

A. REQUEST FOR TEMPORARY EMPLOYMENT

When the Company has a need for temporary employees, the Company shall first determine the appropriate provision of the Labor Agreement to use. The Company can request Local 1245 to refer applicants for work pursuant to this agreement. Requests shall be submitted in writing and must include:

1. Classification(s) needed.
2. Reason for the additional person, i.e., name of incumbent for backfill, temporary additional workload, etc.
3. Any special skills, licenses, certification or training required when justification is demonstrated by Company, i.e.:
 - Computer skills – Candidate is responsible for providing written documentation of proof of proficiency for the Company's required Office Skills Tests from a recognized testing school.
 - CorDaptix™ experience – Candidate is responsible for providing a Certificate of Achievement if issued by the Company or the Company will verify training in Training Server code CSIP 6010.
4. Report date, name and telephone number of receiving supervisor.
 - If the Company delays the reporting date by seven (7) calendar days or more, the individual may decline the referral and maintain his/her registration date with the Union.
5. Hours of work in the reporting department.
6. Duration of the work:
 - Not to exceed 12 months.
 - If considered excessive, multiple assignments at the same headquarters will be subject to review and approval by the parties.

7. If the position is part time, the number of hours to be worked in a regular workweek.

The Company shall normally submit requests to the Union by Friday at 2:00 p.m. for referrals to be made in the following week. Referrals may be made on a more frequent basis.

Requests shall **not** include:

1. Requests for intermittent employees unless by special Letter of Agreement between the parties
2. Specific names of individuals requested, unless agreed to by the parties due to special circumstances or skills needed

Company shall provide in writing to the Union a list of all temporary hires and terminations within a reasonable time period.

Company and Union may enter into a Special Project or Special Condition Agreement. These agreements are for projects with a known scope of work and period of time, or to backfill behind an ill or injured and/or absent employee(s). Special agreements shall not be used to avoid filling regular positions. The Company may source, interview and select Hiring Hall candidates for these positions and notify the Union. All applicable sections of this process and procedures apply.

The hiring of temporary employees through the terms of this agreement shall be considered contracting pursuant to Exhibit XVI of the Physical Agreement.

B. CLASSIFICATIONS, QUALIFICATIONS AND PAY RATES

The classifications to be dispatched through the union's Hiring Hall are noted on Section V. The classifications required, qualifications needed and pay rates shall be those already negotiated by the parties as contained in the Physical and Clerical Agreements unless otherwise specifically agreed to by the parties. In addition, temporary employees must meet PG&E's pre-employment requirements including qualification tests, drug testing, and background check standards. Hiring Hall employees are not eligible for progressive wage increases and shall normally be paid at the beginning rate of their classification unless:

1. They meet the requirements of C1 contained herein, or
2. They have worked for 12 cumulative months in the classification for which they are being dispatched
3. The Union's Hiring Hall rules and procedures will govern the number of "turn downs" of job offers and the number of locations and classifications an applicant can have active.

C. PRIORITY OF REFERRALS AND PAY

Applicants for temporary employment at Pacific Gas and Electric Company shall be prioritized in the following groups and referred in the following order:

1. Prior Company employees and individuals that held the classification elsewhere, and have the required experience, and meet the Company's agreed to qualifications will be paid the top of the wage rate.
2. Prior Hiring Hall employees that held the classification for 12 cumulative months will be paid the top of the wage rate.
3. Inexperienced individuals that meet PG&E's agreed to entry qualifications will be paid the inexperienced wage rate.

D. TEMPORARY HEADQUARTERS AND TRANSFERS

Hiring Hall employees may be temporarily assigned to work at another headquarters for a maximum of five consecutive workdays provided the headquarters is within a reasonable commute (e.g., 30 road miles or 45 minutes automotive travel) of their assigned headquarters. Temporary headquarters assignments are limited to three, non-consecutive assignments of five days or less per each dispatch assignment. In emergency situations, Hiring Hall employees may work at any other headquarters system-wide. The limits in this section do not apply to emergency situations.

The Company may transfer Title 300 Hiring Hall employees in accordance with the provisions of Title 301.

E. INELIGIBLE FOR HIRING HALL EMPLOYMENT

Prior PG&E employees who are ineligible to work at PG&E and other individuals deemed ineligible to work at PG&E shall be precluded from dispatch by the Union.

F. JOB CANCELLATION AND REJECTION OF REFERRALS:

Rejection of an individual shall not be with the intent or purpose to bypass individuals in an attempt to hire a specific person:

Job Cancellation Fee:

1. A \$100 fee will be paid if: a) the individual has successfully completed all pre-employment requirements, b) accepts the assignment, c) the job is cancelled prior to reporting to work, and d) the individual is not removed from the dispatch list.

Candidate Rejection/Referral Fee:

1. A fee of eight (8) hours pay will be paid if the individual has: a) successfully completed all pre-employment requirements, b) accepts the assignment, and c) is rejected prior to reporting to work.
2. A fee of eight (8) hours pay will be paid if the individual has: a) reported to work, and b) was released prior to the completion of an eight-hour work period, provided the individual reported for work on time with the appropriate tools and equipment and was fit for duty.
3. No fee will be paid if the individual reported to work on the first day without the appropriate tools/equipment, required documentation, (e.g., license certification, employment eligibility verification/identification) or was unfit for duty.

Referrals:

1. Employees released by the Company as unsuitable (Y-payroll code) shall be precluded from future referrals.
2. Applicants who fail to report to work on the first day may be precluded from further referrals.
3. Employees who are laid off (L-payroll code) because the work assignment has ended or resign (R-payroll code) are eligible to immediately sign up at the Hiring Hall.
4. As of the signing of this letter of agreement, Hiring Hall employees who are released under the Y-payroll code are permanently precluded from future referrals.
5. When Hiring Hall employees are released, a payroll change tag shall be provided to the employee describing the reason for the end of the assignment (i.e., unsuitable - Y code, laid off - L code, resigned - R code or discharged - K code).

- Supervisors will immediately send an e-mail notification to the exchange list mailbox entitled "HR Centralized Hiring Hall Admin" with the name and social security number of the employee released as unsuitable –Y code or discharged – K code.

G. INELIGIBLE TO WORK AT PG&E AND JOINT HIRING HALL COMMITTEE:

Individuals who fail to meet the pre-employment requirements shall not be eligible for a referral. Additionally, the Union may request the determination of such failure be referred to the committee to ascertain the appropriateness of such determination.

Further, when the committee agrees an individual has committed gross mis-conduct as defined in Company policies (e.g., including, but not limited to 735.6-1, insubordination, sale/possess/furnish/usage of drugs on the job, curbing of meter reads, falsification of company records, harassment, etc.) the individual will not be eligible for any other referral. Lastly, individuals who have been released under the Y or K payroll codes are ineligible for employment at PG&E.

H. HIRING HALL EMPLOYMENT CONDITIONS

Hiring Hall employees:

- Are subject to being released from work at the sole discretion of the Company.
- Shall not attain regular status or any regular status entitlements unless otherwise agreed to by the parties.
- Shall not be eligible for supplemental benefits.
- Shall be paid a benefit equivalent of 25% based on the straight time hourly rate of their base classification for all hours worked.
- Will be considered a new hire for all purposes if hired by the Company into a regular position, unless otherwise agreed to in writing by the parties (e.g., Letter Agreement 00-31-PGE).
- Must notify Pacific Gas and Electric Company directly to be considered for regular employment by applying at PGE.com.
- May not be downgraded in pay from the classification referred to. However, they may be upgraded in pay and classification in accordance with the Agreements for a period not to exceed 40 hours during any period of continuous employment excluding overtime hours.
- May be granted up to a maximum of 80 hours off without pay during any period of continuous employment exclusive of other time off provided in the Agreements (e.g., holidays, inclement weather, etc.). Such time off must be approved by the Company and in compliance with all applicable laws (e.g., workers' compensation, pregnancy, Family Medical Leave Act, etc.).

I. DURATION OF TEMPORARY EMPLOYMENT

Utilization of a temporary Hiring Hall employee in accordance with this agreement shall not exceed 12 months. This section is not applicable, subject to review by the Joint Hiring Hall Committee, while the Company is "actively trying" to fill a regular position in the department and headquarters and is unable to do so due to a lack of qualified candidates. "Actively trying" is defined as submitting and maintaining an active requisition to fill a regular position.

J. FAILURE TO COMPLY

In the event it is determined the Company has failed to comply with any provision of this agreement resulting in an individual losing any benefit or compensation, the Company will make such individual whole for the loss of benefits or compensation.

K. JOINT HIRING HALL COMMITTEE

1. A Joint Hiring Hall Committee comprised of four individuals, two appointed by each party, shall be established. This committee shall meet at least quarterly to review the provisions of this agreement, recommend modifications, and address issues referred to the committee as provided for in this agreement.
2. In addition, the two co-chairs of the Joint Hiring Hall Committee shall meet on an Ad Hoc basis to discuss, review and approve the Special Condition or Special Project proposal.

L. APPEALS COMMITTEE

An Appeals Committee comprised of three members, one member appointed by Union, one member appointed by Company, and one public member appointed jointly by Company and Union shall be established. The public member will chair all meetings of the Appeals Committee.

The Committee shall consider any complaint alleging a violation of this agreement arising out of the administration of the referral procedure. The complaint must be received in writing to the Business Manager of the Union within thirty days of the date of the action causing such complaint. The written complaint must contain:

1. Date of the alleged incident;
2. Details of the alleged violation;
3. Requested remedy.

Upon receiving a timely and appropriate complaint, the Appeals Committee shall schedule a hearing to investigate the complaint. The complaint shall be dismissed if the complainant does not appear after being notified of the hearing. The Committee shall have the authority to make a final and binding decision on any complaint. The Committee is authorized to issue procedural rules for the conduct of its business. However, the Committee is not authorized to add to, subtract from, or modify any provision of the Agreements or this agreement. Agreed to costs of the public member shall be shared equally by the Company and Union.

Issues and complaints involving the interpretation and application of the Agreements are to be processed in accordance with the Agreement's grievance procedures.

SECTION II**SPECIAL PROJECT or SPECIAL CONDITION
COMMITTEE AGREEMENTS**

These agreements shall not be used to avoid filling regular positions and may exceed 12 months.

- **Special Project:** Company and Union may enter into Special Project Agreement for a project with a known scope of work and a defined period of time, i.e., CorDaptix™, DCPD refueling, Hydro, etc.
 - Company may source, interview and select the Hiring Hall candidate(s)
 - Company will provide the name(s) of the candidate(s) to the Union
 - Company will refer the candidate(s) to the Union's Hiring Hall for processing and dispatch
- **Special Condition:** Company may enter into a Special Condition Agreement to backfill behind an ill, injured and/or absent employee.
 - Company may source, interview and select the Hiring Hall candidate(s) when the Union is unable to provide a candidate within 14 calendar days of the requisition
 - Company will provide the name(s) of the candidate(s) to the Union
 - Company will refer the candidate(s) to the Union's Hiring Hall for processing and dispatch

**HIRING HALL SPECIAL PROJECT/SPECIAL CONDITION
COMMITTEE AGREEMENT FORM**

INFORMATION REQUIRED

<i>Clerical</i>		<i>Physical T200</i>		<i>Physical T300</i>	
DATE:		DEPARTMENT:			
SUPERVISOR NAME:		HR ADVISOR NAME:			
BUSINESS REPRESENTATIVE NAME:				AGREES	DISAGREES

PROJECT DESCRIPTION:

START DATE:		END DATE:	
NAME OF INCUMBENT(S) FOR SERIOUS ILLNESS/INJURY:			

CLASSIFICATIONS	COMPLETE THESE COLUMNS IF PG&E SOURCED HH CANDIDATES	
	NAMES OF CANDIDATE	HEADQUARTERS

SOURCING AND SELECTION OPTIONS (select one option) :

<input type="checkbox"/> 1) HIRING HALL DISPATCH:	<input type="checkbox"/> a) Project work	<input type="checkbox"/> b) Serious illness/injury
<input type="checkbox"/> 2) COMPANY SELECTION:	<input type="checkbox"/> a) Project work	<input type="checkbox"/> b) Serious illness/injury if Hiring Hall unable to provide candidate within 14 days.

Requester's Name:	Requester's Signature:	Date:
Approver's Name: (Company Co-Chair)	Approver's Signature:	Date:
Approver's Name: (Union Co-Chair)	Approver's Signature:	Date:
<i>For IR Use Only</i> Date of Committee Meeting:	SEND REQUESTS TO: John Moffat Industrial Relations Department 2850 Shadelands Drive, Suite 100 Walnut Creek, CA	Land ID: JAMa Company Phone: 8-583-4283; 925-974-4283
Approved:	Declined	

SECTION III

SUMMER HIRE PROGRAM

Beginning in May of each year, the Company may hire candidates for the Summer Hire Program. The Company will notify the Union of the commencement of its Summer Hire Program and the Summer Hire assignments.

1. Company will administer the program and determine the need and location for Summer Hires.
2. Summer Hire candidates must be continuing college students or college bound high school graduates.
3. Summer Hire candidates must meet all pre-employment requirements (i.e., testing, background check and pre-employment drug test).
4. Summer Hire candidates may be hired the first week of May and must be released by the end of September.
5. Use of this program is not considered contracting under the provision of Exhibit XVI and is not to be used to avoid filling regular positions.
6. Hours worked by the "Summer Hires" will not count as "Temporary Additional" hours for the purpose of Exhibit XVI of the Agreement.
7. Wages will be those published in the Collective Bargaining Agreements.
8. "Summer Hires" will be subject to Title 4, "Union Security" of the Physical or Clerical Agreement.
9. Sections 205.5 and 305.7 of the Physical agreement and 18.5 of the Clerical Agreement will not apply.
10. It is not the intent of the Company that these positions turn into regular positions.
11. Summer Hire candidates will be sourced, interviewed, selected and hired by the Company.

SECTION IV**PAYROLL DEDUCTION AUTHORIZATION FORM FOR HIRING HALL UNION DUES AGREEMENT**

The parties agree that the International Brotherhood of Electrical Workers, AFL-CIO, Local Union 1245 will:

1. Require every Hiring Hall employee of the Pacific Gas and Electric Company ("Company") to execute a Payroll Deduction Authorization form to authorize the deduction of union dues from that employee's wages paid by the Company,
2. Furnish the Company with the names of all Hiring Hall employees who have executed their Payroll Deduction Authorization forms upon request,
3. Retain the originals of the fully-executed Payroll Deduction Authorization forms of all Company Hiring Hall employees, and
4. Provide Company the original of any Hiring Hall's Payroll Deduction Authorization form within two business days upon Company's written request.

**SECTION V
PG&E DISPATCH CLASSIFICATIONS**

AGREED TO CLASSIFICATIONS	SPECIAL PROJECT/CONDITION AGREEMENTS
ACCTG CLERK	CARPENTER
ASST FRMN CLK	COMM TECH
CABLE SPLICER	CORROSION MECH
ELEC T&D ASSISTANT	EQUIPMENT MECHANIC
ELECTRICIAN	FLD GAR MECH A
FIELDPERSON	GAS M&C MECHANIC
FIRST FIELD CLERK	INSPECTOR
GARAGEMAN	MACHINIST
GAS FITTER	MECHANIC RIGGER
GAS SERV REP	METERING SYSTEM TECH
LINEMAN	REPRO OPR B
MATERIALS HANDLER	ROVING OPER
METER READER	STATION MECH
MISC EQUIP OPR	SYSTEM OPR
OPER CLERK	TELECOM TECH
OPER CLERK-TYPIST	
ROUTINE FIELD CLERK	PROJECT EXAMPLES:
ROUTINE PLANT CLERK	DCPP REFUELING
ROUTINE SHOP CLERK	MLX
SERV REP/EXP	CorDaptix™
TELECOM EQUIP INSTALLER(DIV)	HYDRO
TELECOM INSTALLER(GC)	
TOWERMAN	
UTIL WKR-ELE METER	
UTILITY CLERK	
UTILITY CLERK-TYPIST	
UTILITY WORKER	

