



LETTER AGREEMENT NO. 05-53-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

October 18, 2005

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:

To effectively administer the changes to the Long-Term Disability (LTD) Plan for returning LTD employees to work as agreed to in the 2003 General Negotiations, the Company created a Return to Work (RTW) Department within Human Resources.

Sections 112.15 (Physical) and 7.15 (Clerical) of the Labor Agreements state, "By written agreement between the Company and the Union and on an individual basis, an employee who qualified for and received benefits under the LTD Plan of the Benefit Agreement between the Company and the Union may be returned to active service." Currently, the local Human Resources (HR) Advisor and the IBEW Union Business Representative have authority to sign this type of letter of agreement pursuant to Letter Agreement R2-88-21-PGE.

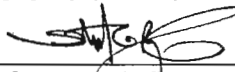
To maximize the efficiency of the RTW Department in working with LTD employees, the Company proposes that the authority to execute local letters of agreement to return employees on LTD to work (Sections 112.15/7.15), be transferred to the Return to Work (RTW) Department and the IBEW Co-Chair of the LTD RTW Ad Hoc Committee who is appointed by the IBEW Business Manager.

Either party may cancel this agreement by providing 30 days written notice at which time the provisions of Letter Agreement R2-88-21 would be active.

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

Very truly yours,

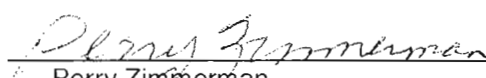
PACIFIC GAS & ELECTRIC COMPANY

By: 
Stephen A. Rayburn
Director and Chief Negotiator

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

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

Feb 1, 2006

By: 
Perry Zimmerman
Business Manager