



LETTER AGREEMENT NO. 06-06-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

April 10, 2006

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 recently transferred the responsibility for internal job searches to the Return to Work Department. A review of the internal job search process resulted in the restructuring of the process to mirror, to some extent, the Long-Term Disability (LTD) Return to Work (RTW) Program. The internal job search will be referred to as Return to Work (RTW).

The intent of the process is to retain the skills and experience of employees who are precluded from their base classification as a result of medical restrictions prior to the employee being approved for LTD.

The proposed RTW requirements are outlined in the attachment.

This letter agreement does not change or affect the terms of Letter Agreement 05-66. For ease of administration, this letter of agreement will be effective with SAP implementation.

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

11 August, 2006

By: /s/ Perry Zimmerman

Perry Zimmerman
Business Manager

RETURN TO WORK PROGRAM for IBEW- Represented Employees***NOT REQUIRED TO PARTICIPATE:***

- An employee who is receiving a Social Security Disability Insurance (SSDI) benefit and has provided the award notification letter to Pacific Gas and Electric Company (Company).
- An employee who is actively working with the Company's third-party SSDI advocate.
- An employee who has elected to retire and has notified his/her supervisor and the Return to Work (RTW) Consultant, has submitted an Application for Retirement to the Human Resources (HR) Service Center, and it is within 30 **Days** of the employee's scheduled retirement date.

RETURN TO WORK PROGRAM REQUIREMENTS:

AN EMPLOYEE'S EMPLOYMENT AND BENEFITS WILL BE TERMINATED FOR FAILURE TO COMPLY WITH ANY OF THE PROGRAM'S REQUIREMENTS AND OBLIGATIONS WITHIN THE SPECIFIED TIME PERIODS.

REQUIRED TO PARTICIPATE:

An employee, who may or may not be **Absent from Work** by reason of injury or illness (occupational or non-occupational), who is permanent and stationary and/or permanently precluded from performing the essential functions of the employee's current regular classification and who is Medically Able to participate.

MEDICAL:

The RTW program may request a medical opinion(s) from the appropriate medical professional. This could be the employee's treating **Physician**, an Agreed to Medical Examiner (AME), Qualified Medical Examiner (QME), Independent Medical Examiner (IME), Medical Provider Network (MPN), or whatever type of medical opinion is necessary to the determination as to the employee's ability to return to work in the employee's current regular classification with a reasonable accommodation(s) and/or modification(s) or alternate **Position(s)**.

WHEN:

The Company will notify the employee in writing at his/her last known address of the employee's requirement to participate in the RTW Program following notification by employee's **Physician** that the employee is permanent and stationary and/or permanently precluded from returning to the employee's current regular classification.

If during the RTW process, an employee's certified medical condition changes significantly (e.g. need for surgery, increased work restrictions, etc.), including an employee who returns to the Workers' Compensation payroll; the RTW process will be halted until an industrially injured/ill employee becomes permanent and stationary and a non-industrially injured/ill employee becomes stable at which time the employee will be notified of his/her requirement to participate and the process will resume.

WHAT:

An employee must fully participate in and comply with the RTW Program requirements and the instructions of the RTW Consultant when notified in writing to do so, or the employee will be terminated immediately. The RTW process may take up to 90 **Days**.

An employee shall provide medical certification of disability upon request by the RTW Consultant. An employee will be required to sign several forms for Authorizations for Release of Medical Information (Medical Release). The first Medical Release form will authorize the employee's **Physician(s)** to respond to the Company's request for information regarding the employee's ability to perform the essential functions of the identified **Positions** with or without reasonable accommodation(s). Other Medical Releases may be required to authorize PG&E's Safety, Health and Claims (SH&C) Department, the Employee Assistance Program Department and the Company's third-party Long-Term Disability

(LTD) administrator to release information to the RTW Department and for the RTW Department to release information to these other entities.

The RTW Consultant will determine whether the current residence or residence at date of disability will be used when applying for **Positions**. This decision will be based on the residence location that maximizes the placement opportunities for the employee.

An employee must accept, at any time prior to, during or following the RTW Process, any job assignment to a **Position** covered by the collective bargaining agreements between PG&E and the IBEW, ESC and SEIU, for which the employee **Qualifies**, as long as the placement meets the LTD **Pay** and **Commutable Distance** requirements as defined in the LTD Program Plan.

If it is determined by the RTW Consultant that the employee meets criteria established by the Company's third-party Social Security Disability Insurance (SSDI) advocate, the RTW Consultant will provide information to the employee regarding the advantages of the third-party SSDI advocate's services, a free service to the employee. The RTW Consultant will recommend and make an employee referral with the agreement of the employee.

TIMELINE REQUIREMENTS:

A. Within 45 Days following notification by the RTW Consultant of the employee's Requirement to Participate, the employee shall:

1. Consult with the RTW Consultant to determine if the employee can safely and efficiently perform the essential functions of the employee's current regular classification with or without reasonable accommodation(s) and/or to identify alternate classifications to which the employee may return in light of available medical information, and
2. Ensure the **Physician's** office provides to the RTW Department, the **Physician's** written assessment of the employee's ability and limitations in performing each identified classification's job requirements, and
3. Provide signed Medical Release(s) of information to the **Physician(s)** authorizing the **Physician(s)** to respond to the RTW Consultant's request for information.
4. It is the employee's responsibility to ensure the Company receives the **Physician's** report by the 45th **Day**.
5. Employee shall not delay the process or fail to fully cooperate in the process.

B. Within 20 Days following the date the RTW Consultant notifies the employee of the Physician's written report, the employee shall:

1. Submit transfers and/or prebids to all alternate classifications approved by the **Physician(s)** and the RTW Consultant, to all headquarters that are within a **Commutable Distance** as defined in the applicable provisions of the LTD Program Plan, and
2. Schedule and take all qualifying tests required for each classification identified, if not already test qualified.

C. Within 20 Days of becoming eligible to retake a test, the employee shall schedule and retake all tests for which the employee did not obtain a qualifying score, unless the employee is no longer eligible under the bargaining agreements to take the test.

EMPLOYEE RESPONSIBILITIES:

- D. Within 10 **Days** following the receipt of information obtained from a further medical examination, scheduled by the Company, the employee shall comply with all applicable requirements set forth in this document.
- E. The employee must actively, maintain at all times, all prebids and transfers for all **Positions** consistent with the **Physician's** written assessment.
- F. The employee must comply with all directives from the RTW Consultant.
- G. The employee shall be assigned to any unrestricted **Position**, any **Position** for which the employee is the highest priority bidder or any **Position** created through a letter of agreement with the Union, for which the employee is **Qualified**, that is within a **Commutable Distance** and meets the **Pay** provisions of the LTD Program Plan.
- H. The employee must report to any assigned **Position** for which the employee is **Qualified**, as long as the placement meets the LTD Program Plan's **Pay** and **Commutable Distance** requirements.
- I. The employee shall attend any required meeting, training, school, assessment, evaluation and test, etc., on the date, time and location specified by the Company.
- J. If the employee is assigned to a vacant **Position** under the provisions of paragraph G above, the employee shall return to work on the date, time and location designated by the Company.
- K. The employee who has not returned to work by the 45th **Day** of the RTW process will be contacted by the Company's third-party LTD claims administrator and will be mailed an LTD application package. The employee must apply for LTD and ensure that all of the required documents contained in the LTD application package are completed and have been returned to the Company's third-party LTD claims administrator with a postmark date that is no later than the 90th **Day** of the RTW process.
- L. An employee who requests to be considered for non-union represented **Position** and/or any **Position** that is outside of a **Commutable Distance** must accept the **Position** at the location the employee has identified when the **Position** becomes available and meets the **Pay** requirements under the LTD Program Plan.
- M. An employee who is not required to participate in this RTW Program, but chooses to do so, shall be subject to all requirements, timelines and consequences of the RTW Program.
- N. An employee who is required to participate in the RTW Program but chooses not to participate may resign by sending a personally signed and dated letter of resignation (including the effective date of resignation) to Pacific Gas & Electric Company, Return to Work Department, 770 Mason Street, Suite 115, Vacaville, CA 95688. An employee who is eligible for retirement should contact the HR Service Center at 800-788-2363. However, the employee must continue to participate in the RTW process until the employee is within 30 **Days** of the employee's scheduled retirement date.

ADDITIONAL REQUIREMENTS:

- O. Company may require the employee, at the Company's expense, to obtain further medical examination(s) and/or review(s) designated by the Company by an AME, QME, IME, MPN, or whatever medical examination(s) and/or review(s) is appropriate for the situation.
- P. If prior to or during the RTW process, an employee's LTD benefit entitlement has expired, the RTW process will end and the employee's employment and benefits will be terminated.
- Q. An employee who is determined to be medically permanent and stationary (occupational injury/illness) or permanently precluded (non-occupational injury/illness) by an appropriate **Physician** and is unable to return to the employee's current regular classification on a regular basis will be provided with accelerated bid rights to any classification lower in the Line of Progression in the department pursuant to Sections 19.9 of the Clerical Agreement and 206.9 of the Physical Agreement. In order to be placed into one of these classifications on an accelerated basis, the employee must meet all of the qualifications for the classification. When the Company is downsizing in a Department and the employee is not on the active payroll, the employee's prebids and transfers will not be considered for vacancies in that Department until such time as the displacement/demotion/layoff activity has concluded.
- R. An employee who accepts a **Position** at a headquarters that is beyond a **Commutable Distance** from the employee's current residence or the residence at the time the employee became disabled may exercise the employee's rights under the moving allowance provision(s) of the applicable Union contract section.
- S. An employee's benefits and employment will be terminated if the employee fails to meet any of the requirements and obligations identified in this document.

Timelines and consequences may be adjusted for non-occupationally injured/ill employees who may have time left on an unpaid medical leave.

Should any part of this agreement become unworkable; the parties will meet and discuss possible alternatives.

DEFINITION OF TERMS:

Absent from Work is defined as any absence due to either an occupational or non-occupational injury or illness.

Commutable Distance is defined as all of the following:

The employee's last regular headquarters or
The employee's last regular point of assembly, if the employee is a General Construction employee, and
Headquarters that are within 45 miles or 60 minutes from the employee's current residence or the residence at the time of disability for LTD Program Plan III or 30 miles or 45 minutes for LTD Program Plan I and II, and
Headquarters that are equal to the employee's last regular commute if it exceeded 45 miles or 60 minutes for Plan III.

When calculating **Commutable Distance**, the RTW Consultant will use both the miles and the minutes to determine if the **Position** identified falls within the **Commutable Distance** definition, e.g. the **Position** exceeds the 45 miles but the commute time is 59 minutes for LTD Program Plan III, the **Position** in this example is within a **Commutable Distance**.

(NOTE: The Company will initially use an online mapping system to determine if the **Position** is within a **Commutable Distance**. If a dispute arises, the parties will determine the method to resolve the dispute.)

Day is defined as a calendar day.

Medically Able excludes employees who are:

1. *Terminally ill*
2. *Hospitalized*
3. *Institutionalized*
4. *Incapacitated (e.g., major stroke, heart attack, etc.)*

Pay is defined as pay provisions of the LTD Program Plan with regard to qualifying for LTD benefits or any applicable union contract as it applies to returning to work.

Physician is a licensed physician and will be one or more of the following: employee's treating physician, AME, QME, IME, MPN, SH&C designated physician or physician selected by the Company.

Position or Position(s) is defined as all full-time temporary and regular union represented positions within the Company.

This means placement opportunities may cross union boundaries. The Company can place an employee in any vacant regular or temporary position that the employee is **Qualified** to perform that is covered by any of the collective bargaining agreements between PG&E and the IBEW, ESC or SEIU. Placement can occur at any time prior to, during, or after the internal job search has concluded as long as the employee **Qualifies** for the position and the position is within the **Commutable Distance** and **Pay** requirements as defined in the LTD Program Plan. An employee can voluntarily accept a regular or temporary part-time position.

Qualify(ied/ies) is defined as:

Meeting any qualifying test(s), training, certification, licensing, experience, etc., requirements for the **Position**; and,

Medically able to safely and efficiently perform the essential functions of the identified **Position(s)** with or without reasonable accommodation(s).