



LETTER AGREEMENT NO. 07-45-PGE



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS DEPARTMENT
MAIL CODE N2Z
P. O. BOX 770000
SAN FRANCISCO, CA 94177
(415) 973-4310

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 RAYBURN
DIRECTOR AND CHIEF NEGOTIATOR

TOM DALZELL
BUSINESS MANAGER

September 10, 2007

Mr. Tom Dalzell, Business Manager
Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 2547
Vacaville, CA 95687

Dear Mr. Dalzell:

In Letter Agreement 07-40, the parties agreed to extend Letter Agreement R1-06-39, Service Crew Pilot, dated August 1, 2006 through September 10, 2007. The parties are continuing to discuss, review and analyze the results of this Service Crew Pilot. Since discussions are ongoing and additional time is needed, the Company proposes to extend the pilot to November 1, 2007.

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: /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 1, 2007

By: /s/ Tom Dalzell

Tom Dalzell
Business Manager