



LETTER AGREEMENT NO. R1-07-31-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

July 3, 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:

Consistent with Letter of Agreements R1-05-63 and 05-68 the Company proposes to allow bargaining unit employees who are assigned to support the Contact Center of the Future (CCOTF) Project to be covered under the same provisions as employees working on Initiative Teams through Business Transformation. The following provisions, which are consistent with the above Letter Agreements, apply:

Employees Staying in Long-Term Lodging

- The Company is providing long-term lodging and will pay the facilities directly. Employees will not be required to pay out-of-pocket for lodging.
- Employees will be compensated at the overtime rate for travel to and from their home and their temporary lodging.
- Employees will be compensated at the overtime rate for travel time to and from their temporary lodging and their temporary headquarters each day.
- Employees will receive mileage at the non-taxable IRS rate, currently 48.5 cents/mile.
- Public transportation costs will be reimbursed in accordance with contractual provisions.
- The Company will reimburse employees for three comparable substitute meals per day, consistent with the Labor Agreement Interpretation. Detailed receipts are required. No in-lieu meal payments will be allowed. Alcohol is not reimbursable.
- If employees work overtime, Title 104 (16) shall apply to meal entitlements.
- For employees who elect to purchase groceries, the Company will reimburse the reasonable price of groceries. Employees will be required to provide a detailed receipt for groceries purchased. Alcohol is not reimbursable.
- The Company will reimburse employees for reasonable daily incidental expenses such as a newspaper, parking, one phone call home, dry cleaning, and laundry. Any expenses beyond this must be approved by the CCOTF Lead Manager. Detailed receipts are required.
- Employees will be compensated for one round trip home per workweek.

Employees Commuting Daily

- Employees will be compensated at the overtime rate for travel time to and from their home and their temporary headquarters each day.
- Mileage will be reimbursed at the IRS non-taxable rate, currently 48.5 cents/mile.
- Public transportation costs will be reimbursed in accordance with contractual provisions.
- Lunch meals will be reimbursed.

Travel Time – Applicable to All

- In order to receive pay for travel time at the overtime rate, travel must occur outside of regular work hours.
- Double time will not be triggered by travel, but will be paid if the employee has worked more than 12 consecutive hours prior to traveling.

These provisions will expire at the end of the CCOTF Team assignments and will be retroactive to the initiation of the team.

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

July 10, 2007

By: /s/ Tom Dalzell

Tom Dalzell
Business Manager