



LETTER AGREEMENT NO. 07-33-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

August 9, 2007

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

Dear Mr. Dalzell:

The Company has been experiencing a high level of turnover in the Title 300, General Construction, Line Department, Tower Section. The Company proposes in an effort to reduce turnover, improve safety and to stabilize the workforce to restrict employees who are hired into, bidding into under the provision of Section 305.7 or transferred under the provisions of Section 305.8 from moving out of this Tower Section for a five-year period. In other words, the employees will not have the ability to voluntarily leave the Tower Section for five years from the date they entered the Tower Section. Company also proposes to establish a system-wide promotion/demotion area for the Tower Section, Line Construction Area 8.

The Company further proposes to add two additional classifications into the line of progression and to update the line of progression to reflect the current structure. Those classifications are Fieldperson-Tower and Utility Worker-Tower with the same wage rate as wage structure as the current Fieldperson and Utility Worker. The current line of progression into the Tower Section for Fieldperson and Utility Worker will no longer be applicable. The Company further proposes to eliminate in the Tower Section (2620) Welder, (0630) Labor Foreman A, (0164) Carpenter B and the two Steel Fabrication classification, (0917) Steel Fabricator and (0918) Lead Steel Fabricator, will only be used on a temporary basis. Attached is a revised line of progression chart.

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/ John A. Moffat for
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

December 7, 2007

By: /s/ Tom Dalzell
Tom Dalzell
Business Manager