

Résumé
PG&E/IBEW Local 1245
Quarterly Benefits Meeting
August 19, 2010

Representing the Company:

Kathy Price, Labor Relations
Susan Barrows, Benefits
Robin Wythe, Benefits

Representing the Union:

Dorothy Fortier, Local 1245 Staff
Lorenzo Arciniega, IBEW member
Bryan Carroll, IBEW member
Cecelia DeLaTorre, IBEW member
Ron Moon, IBEW member
Stu Neblett, IBEW member
Gracie Nunez, IBEW member

Open Enrollment

The Company provided the upcoming Open Enrollment dates:

- October 21 – November 4 Retirees
- November 5 – November 19 Active employees

The Company will review the Open Enrollment materials with the Committee at the next meeting. The Company noted that Open Enrollment is particularly complex this year, with adjustments required in the Open Enrollment worksheets as well as Open Enrollment Guide for the two retiree contribution methodologies, RMSA and RMEC. In addition, the new High Deductible Health Plan, which will be called the Health Savings Account Medical Plan, has an accompanying bank account, called the Health Savings Account. These are complex to implement. Besides the Worksheet and Guide adjustments, employees will receive a special brochure on the Health Savings Account program. This plan is only available, due to IRS restrictions, to non-Medicare members who do not have coverage in another medical plan. The Company will provide the IBEW a draft copy of the brochure so that the IBEW can provide comments on the brochure.

2011 Premium Rates

The Company provided the 2011 premium rates for active employees to the Committee. It was noted that the Kaiser premium is going up around 10% which is higher than the other medical plans—Health Net – 7%; Blue Shield – 7%. The Anthem Blue Cross NAP/CAP premium is 1% lower than last year. The Company explained that the Kaiser rates are relatively higher for active employees, but will be relatively lower for pre-Medicare retirees as compared to the other health plans.

The Company will provide the Union with the retiree premium rates as soon as they are ready which it expects to be about another week.

Retirement Savings Plan

The Company shared Union (IBEW, ESC and SEIU as the data is not separated at this point) participation rates and information as of June 30, 2010 in the Retirement Savings Plan (RSP):

- 3,457 employees are not participating in the RSP.
- 2,420 employees are making pre-tax contributions at the 6% rate.
- 1,690 employees are making pre-tax contributions at the 10% rate.
- 1,569 employees are making pre-tax contributions at the 15% rate.
- 2,215 employees are making pre-tax contributions at the maximum rate of 20%.
- 1,963 employees have 100% of their funds in the PG&E Corporation Stock Fund.
- For employees under age 36, 2,478 participants have an average balance of \$28,123.
- For employees aged 36 – 50 years, 4,368 participants have an average balance of \$111,712.
- For employees aged 51 – 65 years, 6,969 have an average balance of \$224,217.
- For employees aged 65+, 718 have an average balance of \$216,069.

- The average participant balance was \$156,544 which is higher than the average utility balance for customers served by Fidelity of \$97,788.
- 693 inquires were made via the internet, 1,095 inquiries were made by representative assisted calls.
- 4,732 transactions were made via the internet, 2,176 transactions were made by representative assisted calls.

The Company discussed an administrative correction to the investment of contributions to align with the Retirement Savings Plan guidelines. No action will be required on the participants' part and this correction does not affect any existing fund balances. The Union will review the Plan's administration guidelines and provide feedback to the Company. A detailed explanation letter will be provided to all participants affected by this correction.

HR Service Center

The number of calls received during April - July are as follows:

- April 7,350 with a 34 second que
- May 5,164 with a 29 second que
- June 5,944 with a 38 second que
- July 5,039 with a 31 second que

Main categories of call types during the 2nd Quarter:

- Social Security numbers for dependents.
- RMSA/RMEC options.
- Adding over age dependents (up to 26 years old) back on medical coverage due to Health Care Reform changes.

The vms/mailbox response time was taking between two to three days for a response.

The Company stated that a new tool for the HRSC is available that can provide employees with detailed information on actual RMSA balances that includes breaks in service, Medicare eligibility and dependents in the calculations.

Retiree Medical Estimator

The Company stated that the Retiree Medical Estimator will be updated with actual 2011 premium rates.

Healthcare Reform

The Committee reviewed LA 10-31 which outlines changes to health care provisions due to legislative rules. The Company stated that it does not know if its application for retiree reinsurance application proceeds has been accepted, and there is no indication of when it will know.

Next Meeting

The next meeting is scheduled for Wednesday, October 13 at 9:00 a.m. at the IBEW Union Hall in Vacaville.

s/Kathy Price

Kathy Price
Labor Relations

cc: Attendees