



LETTER AGREEMENT NO. 10-21-PGE



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS AND HUMAN RESOURCES DEPARTMENT
MAIL CODE N2Z
P. O. BOX 770000
SAN FRANCISCO, CALIFORNIA 94177
(415) 973-4310
STEPHEN A. RAYBURN,
DIRECTOR AND CHIEF NEGOTIATOR

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W.
P.O. BOX 2547
VACAVILLE, CALIFORNIA 95696
(707) 452-2700
TOM DALZELL,
BUSINESS MANAGER

May 17, 2010

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:

Given the planned closure of Humboldt Bay Power Plant fossil fuel units 1 and 2, the parties have met on several occasions to discuss the impact to employees. As previously agreed, employees were given their Section 206.1 notification in October 2009. The Company proposes, pursuant to Section 206.12 of the Physical Labor Agreement, the following.

In May or June 2010, the Company will offer voluntary severance to all regular employees assigned to HBPP units 1 & 2. Employees will be given 14 calendar days to indicate on the Employee Election form their desire to accept Section 206.7 layoff with severance following the closure of the plant.

Following the voluntary severance offer period, employees who do not wish to sever will be given their options in accordance with Title 206 of the Physical Agreement and Letter Agreement 99-72.

The parties previously agreed in Letter Agreement R1-10-09 that employees who will be laid off following the closure of the plant will be allowed to use the balance of their vacation and will be severed once their vacation is exhausted.

Once the plant is no longer operational, there will be a need for some employees to work on final draining and layup of systems and components prior to dismantlement. At management's discretion, regular employees who have accepted or been assigned layoff may be required to continue working post-operation. Regular employees will be given an opportunity to volunteer for this work prior to the use of Hiring Hall employees. In any event, management may continue to use Hiring Hall employees post-operation.

This proposal has been discussed with IBEW Assistant Business Managers Bob Choate and Ken Ball.

Mr. Tom Dalzell

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May 17, 2010
L/A 10-21-PGE

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/ Andrew K. Williams 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

June 21 , 2010

By: /s/ Tom Dalzell
Tom Dalzell
Business Manager