

## **EXHIBIT N**

### **R2-99-04-ESC**

October 19, 1999

Engineers and Scientists of  
California Local 20, IFPTE,  
AFL-CIO and CLC 350 Frank  
Ogawa Plaza, 8<sup>th</sup> Floor  
Oakland, CA 94612

Attention: Mr. Ben Hudnall, Business Manager

The Company proposes pursuant to Section 26.1 of the Agreement to cancel and supersede provisions of the Estimator Training Program (ETP), R1-92-12-ESC.

#### **General Provisions**

- A. The provisions of this Agreement are applicable to regular employees only. Hiring Hall employees are not covered by this Agreement.
- B. Employees who enter the Estimator classification shall be enrolled in and begin the training program immediately.
- C. A maximum of six months is allowed for completion of each module, including the on-the-job (OJT) training requirements. OJT requirements must be completed prior to taking the end-of-module exams.
- D. Following successful completion of the Estimator Training Program, an employee shall be reclassified to Senior Engineering Estimator at the lowest step in the progression that will result in at least a 2-1/2 percent wage increase.
- E. Within 30 days from the effective date of this Agreement, Service Planners will be reclassified as gas or electric Engineering Estimators.
- F. Service Planner duties described in LOA 96-21-ESC are included in the Estimator classification and have been incorporated in the revised Estimator/Senior/ADE job duties as Exhibit I. These duties, underscored in Exhibit I, may be assigned to all classifications within the Estimator line of progression. ETP modules 1 and 2 are available to help employees develop basic estimating skills in opposite commodity work.
- G. It is the intent of this Agreement that progression through the ETP Modules

and associated On-the-Job training be continuous. Delays in program progression initiated by the trainee may impact future wage treatment and/or placement status in the Estimating line of progression.

- H. The ETP Program Administrator may implement appropriate program controls and systems to assure effective administration and protect the integrity of the training program. The ETP Ad Hoc Committee, a joint labor-management committee, will have overall responsibility for revisions to the Estimator Training Program and will review requests for exceptions to the procedures outlined in this Agreement and the ETP User's Guide.

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## **Wages**

### **I. New Wage Schedule**

An Estimator wage schedule is enclosed as Exhibit II. The current Estimator wage range will be eliminated and the new wage schedule shall be effective the first of the month following the signing of this Agreement. Instructions for converting current Estimators and Service Planners to the new wage schedule are contained in Exhibit III.

### **II. Wage & Training Progression**

- A. New hires entering ETP shall be placed at the beginning wage step of Estimator and begin the training with Module 1. Requests for exceptions will be referred to the ETP Ad Hoc Committee.
- B. Employees entering the ETP are expected to immediately begin the training program, starting with Module 1. These employees will progress in accordance with the provisions of this Agreement (at six month intervals). Upon successful completion of the training program these employees will progress to the Senior Estimator classification.
- C. When an employee successfully completes a module, his/her wage rate will be increased the next workday to the appropriate wage step, but no sooner than six months from the start of the module or the last progressive wage increase.
- D. Progression shall be contingent on the successful completion of each module until the employee completes the final ETP module. The employee will then progress to Senior Engineering Estimator at the appropriate wage step. The effective date will be either the next workday, or six months from the start of the final module; whichever comes later. Promotion dates for employees entitled to accelerate may be as early as 4.5 months from start of the final module.
- E. An employee entering the Estimator classification with a wage rate above the beginning step of Estimator may retain that rate as long as it does not exceed the 12-month step of Senior Engineering Estimator. If above the latter, the wage rate will be reduced to the 12-month step of Senior Engineering Estimator. The employee will receive no further increases (except for general wage increases) until progressing to a module with a wage step higher than his/her own. Upon successful completion of the training program, the employee will progress to Senior Estimator and paid in accordance with Section 15.4 (a)

(1) of the Agreement.

- F. For employees with 1997 or earlier Estimator or Service Planner classification dates, the ETP Ad Hoc Committee Decision (Exhibit V) provides additional guidance on progression.

### **Unsatisfactory Progress**

- A. Unless the employee has "incumbent" status, those who fail to successfully complete any module shall:

- be notified of inadequate performance in writing prior to the date the trainee would be scheduled to receive the next higher wage step;

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be held in his/her present wage step;  
have ninety (90) days to correct the specified deficiency(ies) and one more opportunity to demonstrate successful completion; and  
be removed from the program in accordance Section 22.4 ( "Demotion Other Than For Lack Of Work" ) of the Agreement if the module is not successfully completed within the 90 day period.

- B. Employees who have been removed from the program may not re-enter ETP in the same commodity without the approval of the ETP Ad Hoc Committee. If they have not already passed the EEI Technical Test Battery, they must meet that test standard before entering an Estimator position in another line of progression/commodity. Failure to meet the EEI test standard will not preclude employees as defined in Section 3.2 of the Agreement, from entering non-estimating classifications such as Mapper.
- C. The process for "Incumbents" (Estimators of record as of October 2, 1992) and former Service Planners covered by LA 96-21-ESC differs from the foregoing guidelines. Exhibit IV describes the procedure for addressing unsatisfactory progress for these employees.

All other provisions of 96-21-ESC not modified by this agreement or the ETP Ad Hoc Committee Decision, (Exhibit V), will remain in effect. This agreement may be amended by mutual agreement of the ETP Ad Hoc Committee.

If you are in accord with the foregoing and the attachments and agree thereto, please so indicate in the space provided below and return one executed copy of this letter to the Company.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

By s/Brett Knight Director and Senior Negotiator

The Union is in accord with the foregoing and it agrees thereto as of the date hereof.

ENGINEERS AND SCIENTISTS OF  
CALIFORNIA, Local 20, IFPTE, AFL-CIO and  
CLC

October 19 , 1999 By s/Ben Hudnall

Business Manager

Exhibit I Revised Estimator/Senior/ADE Job Duties

### **Engineering Estimator**

Under general supervision, prepares cost estimates and construction plans of less difficult nature than work performed by a Senior Engineering Estimator.

Makes field sketches and prepares layouts for construction of additions or improvements to electric or gas systems of such a nature that the plans and methods are embodied in existing standards, specifications, rules, and regulations. Estimates labor and material costs; obtains joint-pole agreements; initiates right-of-way procedures, licenses, permits, etc., and performs such other work as required to prepare the estimate in final form.

May be required to perform customer contact, project coordination, billing, and contract preparation in connection with non-subdivision residential services. Non-subdivision residential work is defined as gas and electric work of four or fewer applicants or lots. Typical jobs include temporary and permanent services, service alterations, rewires and rule 16 gas/electric extensions. Given appropriate training, may also be required to perform typical jobs in the opposite commodity.

Where clear business efficiencies can be gained, may also be assigned similar customer contact work on small commercial and agricultural jobs, although management retains jurisdiction over such work.

May be required to prepare final sketch or layout and cost estimate of more complex jobs from field notes prepared by an employee in a higher classification. May be required to investigate and prepare reports on third-party accidents.

### **Additions to Sr. Estimator and ADE Job Descriptions**

May be required to perform customer contact, project coordination, billing, and contract preparation in connection with non-subdivision residential services. Non-subdivision residential work is defined as gas and electric work of four or fewer applicants or lots. Typical jobs include temporary and permanent services, service alterations, rewires and rule 16 gas/electric extensions. Given appropriate training, may also be required to perform typical jobs in the opposite commodity.

Where clear business efficiencies can be gained, may also be assigned similar customer contact work on small commercial and agricultural jobs, although management retains jurisdiction over such work.

Exhibit II Estimator Wage Schedule

New Estimator Wage Steps

Start of ETP module 1	\$ 764.75 @ week
ETP module 2	794.10
ETP module 3	824.70
ETP module 4	856.45
ETP module 5	889.45
ETP module 6	926.10
Employees must spend a minimum of 6 months in a step before progressing to the next step	

Exhibit III-A Conversion Guidelines

Employees classified as Engineering Estimators and Service Planners will be converted to the appropriate wage step based on their current wage rate and progress in ETP.

**Current Wage Rate/ETP Status**

**Below** the wage step for current ETP module

**Above** the wage step for current ETP module

**Above** the estimator wage schedule

**Above** the estimator wage schedule and the employee is covered by a separate wage protection agreement

**Above** the estimator wage schedule and employee is transferring into the

Estimator classification from a classification with a higher wage rate

**Wage Treatment**

Increase wage rate to appropriate step effective the first of the month following the signing of this Agreement.

No further increases, except for general wage increases, until employee progresses and begins a module with a higher wage step.

If employee is not covered by a wage protection agreement, the employee will be designated as "Present Incumbent Only" (PIO) and the current wage rate will be frozen, with no future increases except for general wage increases, until the employee completes ETP.

The employee retains current wage rate until protection expires and then wage rate will be adjusted so as not to exceed the wage rate for 12month step of Senior Estimator. No further increases should occur until the employee completes ETP.

The employee may retain that rate if it does not exceed the 12-month rate of Senior Estimator. If over, the wage rate shall be reduced to 12 month rate of Senior Estimator. The employee will be designated "PIO" and no further increases should occur, except for general wage increases, until the employee completes ETP.

<b>Service Planner ( 3211) Wage Steps</b>	
Start	\$ 726.45
6 month	778.10
12 month	829.60
18 month	881.15
24 month	932.80
30 month	984.35
36 month (top)	1035.90

<b>Estimator (3150 &amp; 3151)</b>	
\$ 764.75	-

**Estimator (3150 & 3151) Wage Range:**

\$ 764.75 - \$ 1035.90

<b>New Estimator Wage Steps</b>	
Start of ETP module 1	\$ 764.75
ETP module 2	794.10
ETP module 3	824.70
ETP module 4	856.45
ETP module 5	889.45
ETP module 6	926.10

<b>Sr. Engineering Estimator Wage Steps (no change)</b>	
Start	\$ 926.10
6 month	979.80
12 month	1026.95
18 month	1074.30
24 month	1121.85
30 month (top)	1162.85

Examples:

∩ An Estimator in Module 4, with a pay rate of \$ 844.15, should receive an increase to \$ 856.45, the new wage step for those in Module 4.

∩ An Estimator in Module 3, with a pay rate of \$ 908.05, will remain at that rate, except for general wage increases (GWI's), until s/he progresses to Module 6, and then would receive an increase to \$ 926.10.

∩ An Estimator in Module 5 with a pay rate of \$ 1021.60 will be designated "PIO" via payroll change tag and will receive no future increases (except GWI's) until completing ETP. At that time the employee would advance to the 18-month step of Senior Estimator.

∩ A Service Planner covered by LOA 96-21 (a former New Business Representative) in Module 4 with a pay rate of \$ 1035.90 will be designated

“PIO” via payroll change tag and will receive no future increases (except GWI’s) until completion of ETP. At that time the employee would advance to the 24-month step of Senior Estimator as provided in the ETP Ad Hoc Committee Decision (Exhibit V).

7. An IBEW employee at a wage rate of \$ 1085.95 transfers to an Estimator position and begins Module 1. Since the rate is above the 12-month of Senior Estimator, the employee’s rate is reduced to \$ 1026.95 (12-month step of SREE) and is frozen (except for GWI’s) until the employee completes ETP. A payroll change tag should be prepared establishing the “PIO” status. Upon graduating from ETP, the employee would advance to the 18-month of Senior Estimator.

#### Exhibit IV Unsatisfactory Progress - Provisions for Incumbents

1. An “incumbent” is either:

an employee with a Estimator classification date of October 2, 1992 or earlier, under the provisions of LOA R1-92-12-ESC; or  
a former New Business Representative who was placed in the Service Planner classification via LOA 96-21-ESC.

1 Failure to complete any module, will result in two additional opportunities within a six-month period to correct the specified deficiency(ies) and demonstrate successful completion of that module and the OJT training. The six months starts from the scheduled conclusion date of the current module.

2 If appropriate, following successful completion of the module, the employee’s current wage rate will be increased to the next higher wage step, and a new six month review date will be established.

3 If successful completion of an ETP Module is not demonstrated, the employee will be frozen at his/her present rate of pay except for general wage increases.

4 Incumbents who fail or elect not to participate in ETP will be responsible and accountable for learning and applying information provided in the training program and performing the full scope of Estimator duties.

#### Exhibit V ETP Ad Hoc Committee Decision of May 7, 1999

This decision serves as a settlement of all disputed damages associated with delay of the implementation of the ETP. By applying the following provisions, Company agrees to make a one-time payment to each affected employee, as defined below

##### **I. General Adjustment Provisions**

A. Depending on the respective employee’s ETP status, adjustments due to program delays may include: 1) a retroactive payment for the delay the employee experienced in reaching the senior estimator classification, and subsequent delays within the senior estimator wage progression; 2) accelerated placement within the senior estimator wage steps; and/or 3) extended wage protection for employees covered under LA 96-21.

B. The one-time payment made to affected employees will represent compensation for alleged straight-time and overtime income losses. The retroactive payment will not be considered

“wages” for purposes of the Saving Fund Plan contributions.

- C. The trigger for retroactive pay and wage step adjustments will be completion of the ETP or passing the Senior Estimator Examination.
- D. In determining the wage adjustment for each affected employee, only delays due to unavailability of ETP modules will be considered. Time spent on leaves of absence, compensation payroll, rotational assignments, or any other reason not directly related to module unavailability will not be considered. Employees who have left the estimator line of progression are not eligible for adjustments.
- E. Acceleration provisions are subject to the operational needs of the affected employee's department.

## **II. Incumbents**

A. Incumbents are estimators of record as of October 2, 1992. This group includes current estimators, senior estimators who have completed ETP, as well as senior estimators who passed the annual Senior Estimator Examination but who could have advanced to the classification of senior estimator sooner if ETP had been available. For delays experienced after October 31, 1995, those affected employees will be eligible for retroactive pay, and upon reaching senior estimator, placement at the top wage step.

B. Incumbents may accelerate, at their option, through the remainder of the training program including OJT requirements. Upon successful completion of the sixth module, they will progress to the senior estimator classification.

C. Employees who entered the estimator classification during the period 1993 - 1995, when ETP was to have been completed and available, will be eligible for the same adjustments as incumbents and can accelerate through each remaining module in a minimum of 4.5 months.

## **III. Non-Incumbent Estimators**

A. Estimators with 1996 classification dates who upon meeting the provisions of paragraph I .C., will be placed at the top step of senior estimator classification and can accelerate through remaining modules at the 4.5 month pace.

B. Estimators with 1997 classification dates who upon meeting the provisions of paragraph I .C., will be placed at the 24 month step of senior estimator and can also accelerate through remaining modules at the 4.5 month pace.

C. Estimators covered by wage protection agreements and who are paid over the top of the rate will be reviewed on a case-by-case basis, to determine if previous wage protection provisions should be extended due to ETP delays.

## **IV. Service Planners**

A. Service planners and estimators covered under LA 96-21, upon meeting the provisions of paragraph I .C., will be placed at the 24 month step of senior estimator and can accelerate at the 4.5 month pace. For those paid above the top of service planner, wage protection provisions of LA 96-21 are extended for 12 months.

B. Other service planners with 1997 classification dates can accelerate through the remaining modules at a minimum of 4.5 months per module.

## **V. Joint Oversight**

ETP Ad Hoc Committee members will jointly apply the aforementioned provisions to the affected population and address any issues resulting from this decision. The provisions of this decision represent a final resolution of the parties dispute regarding the implementation of the ETP.

s/Ben Hudnall 5/7/99

s/Brett Knight 5/7/99