

Exhibit Z-1 Telecommunications Engineers

For the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, and other conditions of employment, the Company recognizes the Union as the exclusive representative of all classifications in the representation card-count conducted June 13, 2008. Pursuant to the Neutrality Agreement between the Company and Union, these classifications will be incorporated into the ESC Agreement. Those conditions are described below. Unless otherwise noted, the term "employee" refers to those in classifications covered in the aforementioned unit certification.

1. Job Requirements

a) Job Descriptions and Qualifications

See attached.

The lists of "knowledge/abilities" included in job descriptions are among the desirable criteria for individuals who occupy the positions in question. The lists are not intended to be exhaustive, and individuals need not satisfy every criteria to be considered qualified.

Incumbent employees who do not meet the job qualifications for their current position shall be grandfathered for that position.

Other ESC-represented employees, supervisors, and principals may continue to perform all work performed before the effective date of this agreement.

The number of supervisors doing bargaining unit work will not exceed the historical practice of the number of supervisors who perform such work, and the percentage of bargaining unit work those supervisors perform as compared to their total workload will also be consistent with historic practice. In no event will bargaining unit work comprise more than 50% of a supervisor's duties.

b) Performance Standards

Employees shall continue to be covered by the management performance appraisal/development process. The performance appraisal form may be modified by the Company from time to time, but significant and or substantive changes to the standards used must first be bargained with the Union.

2. Hours and Pay

a) Rate of Pay

See below.

Any general wage increase will apply to the base pay of employees organized under the Neutrality Agreement in Telecommunications, i.e., no lump sum GWI or red-lined rates of pay, for the term of the agreement.

b) Contingent Compensation

- The parties agree to continue the current compensation incentive plan and further agree not to make changes to how payments are determined (nine box grid) for the life of the agreement, e.g., no enhanced “flexibility” of supervisor grading.
- The Senior Vice President of Human Resources will review any determination that an employee would not receive an incentive plan payment.
- The parties agree to meet and discuss how system-wide incentive contingent compensation is to be paid in advance of the 2011 negotiations. Said discussions will take place in 2010 within 6 months of ratification and may include 3rd party assistance, as agreed to by the parties. Any studies commissioned on contingent compensation shall be jointly commissioned by both parties but paid solely by the employer. These talks shall be considered ad hoc and cost for lost time to be paid by the employer. The Union committee will consist of no more than 6 PG&E employees, plus appropriate Union staff and consultants.

2009 Rate of Pay Attachment — The following rates will be increased in accordance with the negotiated General Wage Increase Agreement.

Annual Salary in thousands, proposed wages are monthly.

Classification	Min	Max
Associate Telecommunications Engineer	58.0	74.0
Journey Level Telecommunications Engineer	74.0	92.5
Senior Telecommunications Engineer	96.0	107.0
Senior Advising / Senior Consulting Telecommunications Engineer	99.0	119.1

c) Overtime Eligibility

Positions currently considered exempt will remain exempt. In the event that a position must be reclassified as non-exempt, this agreement may be re-opened to negotiate appropriate rate of pay for that position.

Non-exempt positions will be paid bi-weekly and covered by the current collective bargaining agreement in regard to overtime and hours.

The current exempt employee additional time worked policy will remain in place with these provisions:

- On a regular work day, all additional work time must be approved in advance and only approved time worked in excess of 2 hours beyond the end of a regular work day shall be considered as time worked for purposes of calculating overtime.
- On a non-work day, time must be approved in advance and all approved hours worked shall be considered time worked for purposes of calculating overtime.
- Overtime shall be paid at the straight time rate.

The first two additional hours worked on a regular workday are not compensated.

The Company agrees that Telecommunication Engineers, who are assigned to DCPP, will receive overtime compensation consistent with the DCPP Engineering agreement.

d) Progressive Wage Increase (PWI) Schedule:

An employee with a rate of pay below the range maximum and who qualifies for a PWI shall receive a 2.5% PWI (not to exceed the range maximum) effective November 1, 2009. If such employee's rate of pay is still below the range maximum, the employee shall be entitled to an additional PWI of 2.5% (not to exceed the range maximum) effective March 1, 2010.* Thereafter, such employee shall be entitled to a PWI in accordance with Subsection 15.4 (b)(2).

*Adjustments will be made subject to SAP programming restrictions. While not expected to occur, should the PWIs be delayed due to SAP programming restrictions, such adjustment shall be made retroactively.

3. Hours

The work hours of exempt employees covered by this exhibit may vary on any given day. Although each employee shall have a designated work schedule, he/she may be required to work a different schedule (including afternoon or evening start times), or work for more than eight hours on a workday, or work on a non-work day, as the occasion demands. Time worked beyond the employee's normal schedule may be eligible for compensation as defined in the "overtime" section of this exhibit.

At the discretion of management, "alternative work schedules" other than five eights, such as a four day, ten hour, or a nine day, eighty hour schedule may be implemented. Although the Company does not currently intend to change existing 4x10 and 9x80 schedules, these or any other alternative schedules may be canceled by the Company with 60 days advance notice. In addition, the alternative work schedule of an individual employee may be canceled based on the needs of the operation and/or the employee's performance. Employees who work an alternative work schedule shall be available to support business needs on their regular day off (RDO) by, for example, responding to phone calls or rescheduling their RDO as needed. Employees on 4x10 schedules will receive 8 hours of pay for holidays, consistent with current practice.

The provisions of Titles 7, 8.5, 16 and 17 of the agreement shall not be applicable to the exempt employees covered by this agreement.

Travel is an integral part of these positions and time spent traveling, other than commute to or from an employee's headquarters, may be considered time worked. Employees must receive prior approval from the appropriate level of supervision to record additional time. Payment for additional time will be consistent with the Overtime provisions in Section 2 above. All additional time worked will be reduced by the employee's normal commute, unless the employee is called out under the provisions for assigned intermittent on-call or is otherwise called out to perform work on a non-work day.

Meals are reimbursable if for out of town or overnight business travel and for other approved business needs. Approval for reimbursement is required by an employee's supervisor. Meals involving only PG&E employees conducting internal PG&E business or staff related meetings at or near the employee's base headquarters are discouraged and are only reimbursable if approved in advance by the employee's Director or VP.

Telecommuting arrangements may be made pursuant to PG&E Corporation and Pacific Gas & Electric Company's Telecommuting Guidelines and Procedures. Either party may cancel a telecommuting arrangement. The Telecommuting Guidelines will be consistently applied.

Exempt employees shall not be charged vacation leave for increments used of less than four (4) hours.

Exempt employees shall be charged sick leave in four (4) hour increments, with no charge made for increments of less than four (4) hours. Once the four (4) hour threshold is met, additional sick leave will be charged in hourly increments. No deduction shall be made for an increment of less than four (4) hours from the wages an employee who has exhausted his/her sick leave.

4. Advancement and Filling of Vacancies

a) Advancement

Associates who meet the job qualifications of a Journey in the same line of progression and who are performing the job duties of their current classification satisfactorily shall advance to Journey. Journeys who meet the job qualifications of a Senior in the same line of progression and are performing the job duties of their current classification satisfactorily shall advance to Senior, provided that the Company determines that an operational need exists for a Senior position in that line of progression.

If, when an operational need exists, more than one Journey in a line of progression is qualified to advance as set forth above, the Company shall select the employee whose ability and personal qualifications make him/her most qualified for the job. If ability and personal qualifications are substantially equal, seniority shall prevail.

If, when an operational need exists, no one in the line of progression is qualified to advance as set forth above, a vacancy exists.

Senior Advising / Senior Consulting Telecommunications Engineer

Senior Telecommunications Engineers who meet the job qualifications of a Senior Consulting Telecommunications Engineer and who are performing the job duties of their current classification satisfactorily may advance to Senior Consulting Telecommunications Engineer if the Company, in its sole discretion, determines that a business need exists. If such a need exists but the Company determines that there are no qualified Telecommunications candidates, the Company may consider other candidates using the joint selection board used to fill vacancies. The Company may fill this position(s) at its discretion, and there is no requirement that such a position be backfilled after it is vacated for any reason.

b) Vacancies:

When vacancies occur, a selection board which includes one or two management representatives and one or two Union-appointed employees will interview applicants, using jointly developed job qualifications and interview questions. If the selection board decides there are too many applicants to interview for a particular opening, it will decide which applicants to interview by screening applications against the selection criteria.

In half of the vacancies to be filled for Associate or Journey positions, and for all more senior vacancies, only ESC-represented employees who apply will be considered for interviews. If no ESC-represented candidates apply, or if the selection board determines (as described below) that the ESC candidates are not qualified, additional candidates from outside the unit may be considered. For the remaining Associate or Journey vacancies, the Company may add candidates from outside the unit.

For all vacancies, the selection board shall evaluate and select the most qualified candidate based upon the selection criteria, interview performance and, for PG&E employees, current performance and seniority. In the event the board is deadlocked, the Company will make the final decision, which shall be subject to the grievance procedure only to determine whether the Company considered all of the factors listed above before deciding.

5. Line of Progression/Reverse Line of Progression

The classifications in this unit shall be a single line of progression, reverse line of progression, and bidding unit.

6. Seniority

Unless otherwise provided, Company seniority will be used in a manner consistent with the current ESC agreement.

7. Labor Management

The parties agree that as part of the local labor management meetings, discussion regarding staffing, training, advancement, and work force development will take place.

Pacific Gas and Electric Job Descriptions for Telecommunication Engineer

Associate Telecommunications Engineer	
Summary	Under the guidance of a supervisor and/or Journey/Senior Telecommunications Engineer, position provides support for (mostly Capital) projects, including supporting the development of Job Estimates, vendor relations and equipment/material cost estimates, creation of standard construction packages, and consulting with construction personnel; assists in ensuring all required project documentation is complete; modify and utilize drawings in accordance with ISTS policy; ensure that circuit database and all associated project records are accurate and updated; investigate/analyze assigned project logistic issues and assist in developing plans, alternatives, and project proposals, including cost estimates for multiple-alternative requests; deliver cost effective and practical solutions; work with internal/external customers, clients, suppliers, and contractors; demonstrates good judgment in making decisions and recommendations; approaches plans and works in an organized manner; demonstrates effective organizational skills.
Job Duties:	<ul style="list-style-type: none"> • Assist Project Manager in developing Project Proposals, Technical Scope, Plans, Schedules and Cost Estimates. • Provide detailed project engineering. • Manage and track material purchases and disposition. • Prepare status reports; project completion reports as needed for the project. • Assist in the job walk downs and handoffs. • Ensure completion of drawings; related design documentation. • Attend technical training on emerging technologies and their applications to PG&E telecommunications' systems. • Take responsibility to ensure the safety of work environment and ensures Construction Job Packages include adequate site safety information. • Attend safety training. • Adhere to Technology Standards. • Create Bill of Material. • Act as single point of contact for all technical issues with project mangers on projects. • Coordinate project meeting requests with other team members as appropriate. • Promote the value of safety through conduct and communications. No job is considered of such high priority that safety will be compromised.
Scope	Resolves problems of limited scope and complexity. Assignments are regularly reviewed. As experience increases, greater independence of judgment is expected with respect to standard solution problems.
Interaction	Work typically requires direction from more senior engineers and the supervisor. Works primarily with internal personnel. External contact is limited to those assigned by supervisor.
Job Qualifications:	
Knowledge / Abilities	Able to apply basic engineering principles and theory. Assess and recommend solutions for routine projects. Effective written and oral communications. Prioritize, plan and perform assigned work in an organized manner. Demonstrates good judgment. Shows initiative and is proactive.
Education	A 4-year BS Degree in Engineering or a 4-year BS degree in an Information Technology discipline in the US or the equivalent from inside/outside the US.
Licenses / Certifications	Recognized industry credentials and/or certifications desired.
Experience	One year of experience in engineering, planning and/or operations desired.

Journey level Telecommunications Engineer	
Summary	This position requires the ability to perform all Associate level work [Telecommunications Engineer, Associate (4634)] independently. In addition to these roles, the position assists in the development of contracts to provide to project services; represent company when dealing with outside agencies; prepares studies and makes recommendations; ensure decisions consider long-term impact as well as short-term results; work independently most of the time, with support from Telecommunications Engineer, Senior and/or other senior telecom personnel; provides direction to design engineering personnel on overall design.
Job Duties:	<p>May perform all the functions of Associate Telecom Engineer, and in addition:</p> <ul style="list-style-type: none"> • Provide technical support on projects. • Analyze project alternatives. • Provide detailed project engineering and technical issue resolution. • Monitor and Control engineering tasks on project. • Perform job walk downs and handoffs. • Ensure completion of drawings; related design documentation. • Keep up-to-date on emerging technologies and their applications to PG&E telecommunications' systems. • Spec and Create Bill of Material. • Build constructive and effective relationships and communication with stakeholders. • Demonstrate knowledge in one or more area of technology. • Act as a resource for engineering expertise and support in one or more areas of technology. • Communicate effectively with suppliers and contractors. • Provide impact analysis of technical issues; facilitate discussion to ensure accurate decision making processes in projects and/or operational setting. • Communicate technical and process issues and their impact to the schedule clearly and succinctly. • Establish clear communications with internal and external clients to ensure that project scope is well defined and meets client needs. • Work with design engineers to ensure that final documentation is accurate. • Identify and pursue appropriate training and trade seminar to update technology knowledge and their applications to PG&E systems. <p>Execute actions and decisions are executed with safety as the top priority. Instill safety best practices into all job functions.</p>
Scope	Resolves problems of moderate scope. Assignments typically require standard solutions. Generally works independently with limited feedback from other engineers and supervisor. Demonstrates increasing technical and communication skills.
Interaction	Work sometimes requires direction from more senior engineers and the supervisor. Works primarily with internal personnel. Some external contact with vendors, PG&E contractors and customers. Governmental contacts only as assigned by supervisor.
Job Qualifications:	
Knowledge / Abilities	<p>Demonstrates knowledge and abilities required for the Associate level engineer and also: Works with limited supervision and guidance to meet project commitments. Able to understand and implement the technical requirements of interfacing engineering disciplines. Demonstrates informed judgment when making decisions and recommendations. Uses judgment in applying engineering principles and techniques to determine cost effective and practical solutions. Ability to interpret applicable codes, industry standards and regulations. Can provide thorough analysis of issues and justification of recommendations. Demonstrate an understanding of agencies that need to be contacted for correct permits and licenses.</p>
Education	A 4-year BS Degree in Engineering or a 4-year BS degree in an Information Technology discipline in the US or the equivalent from inside/outside the US.
Licenses / Certifications	Current and active California PE license and/or recognized Industry credentials and or certifications desired.
Experience	Mastery of the Associate level Engineer job duties or equivalent and demonstrated knowledge and ability to perform the basic duties of the Journey level Engineer. Meets specific technical requirements gained through a minimum of 3 years experience in engineering, planning and/or operations.

Senior Telecommunications Project Engineer	
Summary	This position requires the ability to perform all Journey level work independently. In addition to these roles, provides leadership among engineers, including high level of technical knowledge; possesses leadership skills, including excellent written and verbal communications; leads engineering teams on larger projects; manages or assists with client communications/meetings; review & approval of designs for compliance with all applicable standards, regulations, and best practices; review & approval of engineering estimates; works closely with other engineers, including attendance at client meetings, to ensure consistent, high-quality engineering product delivery to clients; provides final approval of designs and estimates prior to issuance to clients through Project Services team.
Job Duties:	<p>May perform all the functions of Associate and Journey Telecom Project Engineer, and in addition:</p> <ul style="list-style-type: none"> • Manage large highly complex projects and perform engineering analyses, comparative studies of various alternatives, and develop conceptual designs. • Develop innovative solutions to resolve challenging technical issues and help on operational issues as needed. • Provide technical advice to Project Managers in scheduling of different technical activities as related to a complex project and their budget impact. • Perform Telecom Project work on large and system-wide projects. • Provide input to SME's on Technical Standards Development. • Coach, direct, and assist technical employees and teams. May act as team leader. • Support root cause analysis and makes recommendations for improvement. • Mentor associate and journey Telecom Project engineers.
Scope	Resolves problems of complex scope. Assignments may require complex solutions. Works independently with limited feedback from other engineers and supervisor.
Interaction	Works with internal and external personnel. External contacts include vendors, PG&E contractors, customers and regulatory agencies. May include other governmental contacts as assigned by supervisor.
Job Qualifications:	
Knowledge / Abilities	<p>Demonstrate knowledge and abilities required for the Associate and Journey level Engineer and also:</p> <p>Demonstrate ability to handle multiple large scale, large budget complex projects without supervision.</p> <p>Demonstrate good presentation skills including knowledge transfer presentations.</p> <p>Ability to serve as the leader for guiding the project team.</p> <p>Complete assignments of broad scope and complexity.</p> <p>Ability to integrate information from a variety of sources.</p>
Education	A 4-year BS Degree in Engineering or a 4-year BS degree in an Information Technology discipline in the US or the equivalent from inside/outside the US.
Licenses / Certifications	Current and active California PE license and/or recognized industry credentials and or certifications desired.
Experience	Mastery of the Journey level Engineer job duties and demonstrated knowledge and ability to perform the basic duties of the Senior level Engineer. Meets specific technical requirements gained through a minimum of 8 years cumulative experience in engineering, planning and/or operations.

Senior Advising / Senior Consulting Telecommunications Engineer	
Summary	<p>This is a senior consulting-level telecom engineer job that requires mastery of the Senior Telecom Engineer duties and is routinely requested by management to lead, as assigned, engineering and design, for the most complex and high risk exposure business endeavors, very large capital and expense improvements, and/or high profile or highly contentious projects. The Senior Consulting Telecom Engineer is a widely recognized expert within the Company and with external partners and stakeholders, is requested to apply expert judgment and extensive knowledge of the telecom industry to research and develop new/unique solutions; develops and applies extensive risk management and programmatic approaches for high risk and/or system-wide issues; and/or applies negotiation skills to resolve complex challenges. They are routinely requested by management to apply their expertise to projects they don't otherwise manage, and at a programmatic level. Provides extensive leadership, coaching and development of less experienced engineers. Provides high-level technical briefings, advice, and recommendations to upper management. Responsibilities may include privileged and confidential work.</p>
Job Duties	<p>Performs the functions of Journey and Senior level Telecommunications Engineer, but for more complex, larger budget, higher risk exposure, and higher profile projects. Job duties will vary by assignment. In addition, job duties include, but are not limited to:</p> <ul style="list-style-type: none"> - Applies extensive telecom expertise to develop tactical strategies and solutions for the most complex business endeavors. - Manages multiple, highly complex engineering projects. - Develops and applies extensive risk management and programmatic approaches for high risk, high visibility, and/or system-wide issues. - Presents clear, concise, and well-reasoned positions for desired ideas and proposals. - May represent PG&E at external industry associations, committees, trade organizations and other inter-utility groups. - Researches and develops innovative solutions to solve challenging technical and regulatory issues. - Provides technical leadership on high risk and/or highly complex telecom solutions to meet operational requirements of critical or high risk PG&E business systems. - Performs complex and advanced engineering system modeling, analyses, studies, and develops conceptual telecom design. - Provides high-level technical briefings, advice, and recommendations to upper management. - Provides technical knowledge and support in the development of standards, specifications, construction documents, and guidelines. - Interprets, clarifies, and educates others in applicable industry standards, and regulatory codes and regulations. - Provides expert knowledge and guidance to others in design reviews, start-up testing, inspections, and condition assessment; actively supports complex and/or large project start-up tests and field inspections. - Provides extensive leadership, coaching and development of less experienced engineers. - Routinely requested by management to apply their expertise to projects they don't otherwise manage, and at a programmatic level. - Demonstrates ability to ensure high quality work by self and others in discipline and/or project team; supports development of design standards and specifications; conducts effective design reviews; and approves work of less experienced engineers. - Seeks opportunities to build organization's understanding of technical information, processes, and tools; demonstrates the ability to effectively transfer knowledge; supports development of effective training. - Readily integrates industry knowledge and best practices into everyday business practices and decision making; provides others with interpretation and guidance on industry standards and regulations. - Proactively identifies trends over multiple projects or years; takes needed

	<p align="center">Senior Advising / Senior Consulting Telecommunications Engineer</p> <p>action to initiate practical system-wide improvements, provides recommendations, develops implementation plans, and leads implementation.</p> <ul style="list-style-type: none"> - Proactively evolves telecom engineering skills and knowledge through industry associations and conferences, technical workshops, trade publications, and additional formal education.
Scope	Routinely requested by management to apply extensive telecom expertise to develop tactical telecom solutions for the most complex, high risk, business critical PG&E systems. Manages multiple complex, high risk, or very large engineering, construction, and/or regulatory projects and resolves problems of very complex scope. Is widely recognized and serves as an expert within area or specialization to meet high level business needs. Regularly expected to apply creativity or new approaches to assignments that may be unique. Regularly takes a leadership role on technically or complex regulatory projects. Customarily and regularly uses discretion and independent judgment in fulfilling these job functions. Regularly supports Directors, Managers, Architects, Supervising Engineers, and Project Managers on programmatic solutions and process improvements.
Interaction	The Senior Consulting Telecom Engineer must have excellent communication skills. The Senior Consulting Telecom Engineer will work closely with Telecom Architects and Engineering Supervisors in determining and executing work assignments and supporting engineering process improvement. The Senior Consulting Telecom Engineer will work closely with the project management organization to meet scope, schedule, and cost on the most highly complex projects. External to ISTS, the Senior Consulting Telecom Engineer will work closely with business partners on critical, high risk PG&E systems (such as protection, RAS, EMS, SCADA, etc.) to ensure that complex engineering designs meet the business requirements. Coaches and mentors other telecom engineers routinely.
Job Qualifications:	
Education	A 4-year BS Degree in Engineering or a 4-year BS degree in an Information Technology discipline in the US or the equivalent from inside/outside the US.
Licenses/ Certifications	Current and active California PE license and/or recognized industry credentials and/or certifications required.
Experience	Mastery of the Journey and Senior level Telecom Engineer job duties and demonstrated knowledge, leadership, and ability to perform the duties of the Senior Consulting Telecom Engineer. Minimum 13 years cumulative experience in IT Telecom Engineering or related areas.
Knowledge/ Abilities	Demonstrates knowledge and abilities required for the Journey and Senior level Telecom Engineer and also: <ul style="list-style-type: none"> - Demonstrates expert-level knowledge of the telecom industry concepts, principles, standards, practices, and regulatory requirements in area of expertise to resolve complex problems. - Provides leadership, direction, and coaches and develops less experienced engineers. - Demonstrates exceptional verbal and written communication and presentation skills. - Builds consensus around complex and controversial technical issues and successfully persuades others to act on agreements reached.