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15-03-ESC

March 30, 2015

Joshua Sperry, Senior Union Representative Engineers and Scientists of California, Local 20 IFPTE (AFL-CIO & CLC) 810 Clay Street Oakland, CA 94607

Dear Mr. Sperry:

This letter will confirm our understandings with respect to employees in Pacific Gas & Electric's Information Technology and Customer Care organizations (or any successor to those organizations) ("Covered Organizations").

It is our understanding that Local 1245, IBEW and ESC Local 20, IFPTE have agreed that, between them, Local 1245 would have exclusive jurisdiction to organize any currently unrepresented PG&E employees in the Covered Organizations for the term of this agreement. This will preclude ESC Local 20 from organizing any employees solely performing the functions of positions (i) in the Covered Organizations as of the date of this agreement and (ii) positions created in the future in the Covered Organizations except for positions that then perform work performed by any PGE organization other than in a Covered Organization at the time this agreement is executed (collectively, the "Covered Positions").

Notwithstanding the above, "Covered Positions" will not include:

- IT Project Managers (all career levels)
- Positions performing work in and on the GIS system who have shared jurisdiction with the ESCrepresented GIS development group
- Distribution Specialist, Senior (all career levels)
- Materials Specialist (all career levels)
- Metering Project Specialist (all career levels)
- Meter Program Manager (all career levels)

Further, ESC, by executing this letter, agrees that it:

- (i) will not initiate or participate in any way in any effort to organize any employees in the Covered Positions;
- (ii) will not accept representation of any employees in the Covered Positions; and
- (iii) will not claim through any grievance, arbitration, National Labor Relations Board petition, unfair labor practice charge or any other proceeding any work performed by employees and/or contractors in the Covered Positions, other than work performed by employees represented by ESC. This provision does not limit in any way ESC's right to grieve performance of bargaining-unit work by any other employees or contractors.

In exchange for these commitments, PG&E agrees that with regards to the SMOC negotiations, from this

date forward, the Company will negotiate over terms of inclusion into the general ESC-PG&E Agreement in the same fashion as if the employees had voted for ESC representation in an NLRB supervised "Armor-Globe" self-determination election. The Company recognizes established tentative agreements on advancement and filling of vacancies; job descriptions (except for "network engineering" job functions); performance standards; and the on-call process; and will limit the remaining scope of bargaining to the following items:

- 1. salary range minimum and maximum,
- 2. additional hours worked for monthly employees,
- 3. vacation accrual rates for incumbents,
- 4. professional membership and training,
- 5. application of title 22 and 27.2 for a period not to exceed three years from implementation of a final SMOC agreement (without prejudice to any party's position on the appropriateness of these items in a post-Armour Globe negotiation).

Upon completion of the negotiations for the Smart Meter Operations Center, employees in the classification of SmartMeter Engineer will be transferred to the position of Meter Engineers in the Metering Services and Engineering group, and the job duties including those specified in the ULP settlement will be combined with the current Meter Engineer job description. In this regard, the parties' settlement of unfair labor practice charges 20-CA-086328 and 20-CA-089284, with respect to the creation and jurisdiction of SmartMeter Engineer positions in the Smart Meter Operations Center will be null and void at that time.

This letter agreement shall survive the expiration of the current collective bargaining agreements between ESC and PG&E and any future collective bargaining agreement between the parties and shall remain in effect unless notice of cancellation is given by either party. Notice of cancellation may be given no earlier than 90 days prior to December 1, 2022. Once notice is given, this agreement will expire 90 calendar days after the date of notice. Agreements made regarding the inclusion of SMOC into the general contract, terms and conditions for SMOC employees, and integration of SmartMeter Engineering will survive the expiration of this agreement.

Any dispute arising under this Agreement shall be governed by the dispute resolution procedures in the parties' then current collective bargaining agreement.

If you agree, 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

Principal Negotiator

The Union is in agreement.

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

LOCAL 20, IFF IE, AFL-GIO and GLG

Bv:

Joshua Sperry

Sr. Union Representative