



Denise Floyd
Principal Negotiator
Labor Relations

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Walnut Creek, CA 94598
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16-02-ESC

January 8, 2016

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

Dear Mr. Sperry,

The Company and Union have been meeting to discuss the Company's plan to separate Distribution System Planning and Reliability into two departments. The separation will consolidate the existing headquarters into four regional headquarters for each department. The plan will result in the relocation of certain Distribution Engineers ("DE") into the newly identified headquarters. The joint discussions include the potential for voluntary incentive offers to eligible impacted employees.

At this time, the Company plans to fill two DE vacancies within the Distributed Generation Central Group, headquartered at 5555 Florin-Perkins Road, Sacramento. The Company proposes that the current DE's assigned to Planning, at the following impacted headquarters; Bakersfield, Chico, and Salinas, be offered priority to these vacancies. Priority for consideration by seniority will be extended, first to DE's within the bid Region. Such employees, if applicable, would be eligible for any relocation incentives associated with the consolidation that may be agreed to in the future. If there are no DE's with pre-bids on file from these three locations the vacancies would then be filled following the regular job bidding process.

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,

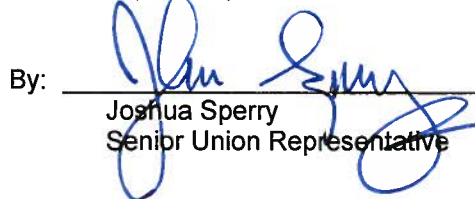
PACIFIC GAS AND ELECTRIC COMPANY

By: 
Denise Floyd
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The Union is in agreement.

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

1/12, 2015

By: 
Joshua Sperry
Senior Union Representative