



16-07-ESC

April 12, 2016

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:

Due to the continuous change in tools, processes, and technologies, the Company announced the plan to separate and realign Distribution System Planning and Reliability into separate primary work assignments. The Company and Union have been meeting to discuss the effects on employees resulting from this consolidation. The separation will consolidate the existing headquarters into four regional headquarters for each department and maintain up to five remote Distribution Engineers assigned reliability duties. The realignment will result in relocation of impacted Distribution Engineers and Distribution Engineer, Associates to the new Capacity and Reliability headquarters. In accordance with Section 21.9, the Company proposes to make the voluntary incentive offers contained in this agreement to impacted Distribution Engineers and Distribution Engineer, Associates.

Realignment and consolidation will be into eight regional headquarters, as follows:

1. New Distribution Capacity & Reliability Headquarters

Capacity Planning Headquarters

- 1) Auburn
- 2) Concord
- 3) Fresno
- 4) San Jose

Reliability Planning Headquarters

- 5) Santa Rosa
- 6) San Francisco
- 7) Stockton
- 8) Hayward

2. Relocation of Impacted Employees to Regional Consolidated Headquarters

A. For the purpose of this agreement, "impacted incumbent" refers to Electric Distribution Engineers, including Associates, assigned to Capacity and Reliability, as of the date of this agreement, who are headquartered at the following locations:

- 1) Eureka – 2475 Myrtle Ave.
- 2) Redding – 3600 Meadowview Ave.
- 3) Chico – 460 Rio Lindo Ave.
- 4) Salinas – 401 Work St.
- 5) Bakersfield – 4101 Wible Rd

B. The following named employees voluntarily relocated to vacancies prior to the signing of this agreement. These named employees are eligible to receive the relocation bonus, provided in

Section C of this agreement, and moving allowance, if applicable.

- Eric Vazquez
- R.J. Snook
- Emilio Nunez
- Ken Huffman

C. For each of the 5 locations above (listed in "2.A." of this agreement), one incumbent Distribution Engineer, or Distribution Engineer, Associate, assigned to Capacity and Reliability, at the respective headquarters will be permitted to work as a remote Distribution Engineer, assigned reliability duties. Remote assignments are not eligible for relocation bonus payments and will be subject to reevaluation on or after 12/31/18. The below list is the employee at each of these five headquarters, with the most seniority, who has elected to work as a remote Distribution Engineer or Distribution Engineer, Associate:

- 1) Shawn Howard - Eureka (2475 Myrtle Ave.)
- 2) Anandi De La Fuente - Redding (3600 Meadowview Ave.)
- 3) Chris Dux – Chico (460 Rio Lindo Ave.)
- 4) No interested impacted incumbent - Salinas (401 Work St.)
- 5) Juan Castillo (Bakersfield – 4101 Wible Rd)

D. The Company will decide how many Distribution Engineer positions within Capacity and Reliability to fill at each of the consolidated headquarters, as long as the total number from within each headquarters will be no less than the current number of Distribution Engineers assigned to Capacity and Reliability. Commitment Letters will be entered into and signed by each of the impacted incumbents not listed in 2.C. above. The Commitment Letters will designate the employee's commitment to relocate and report to the specified headquarters, assigned based upon the employee's seniority and preference of available positions at the new Distribution and Capacity consolidated regional headquarters, within the relocation periods outlined below.

- 1) \$20,000 in exchange for relocation and report to a new consolidated regional headquarters, from the eight listed in Number 1 above, made before December 31, 2016
- 2) \$15,000 in exchange for relocation and report to a new consolidated regional headquarters, from the eight listed in Number 1 above, made before December 31, 2017
- 3) \$10,000 in exchange for relocation and report to a new consolidated regional headquarters, from the eight listed in Number 1 above, made before December 31, 2018

Below is the list of impacted incumbents who will sign Commitment Letters, to the Capacity or Reliability Headquarters they are assigned, and the relocation period they have chosen in which to relocate and report to the newly assigned headquarters:

- a. Steve Jackson, Fresno, before 12/31/16
- b. Musie Tesfasilassie, San Jose, before 12/31/16
- c. Dan Spencer, Auburn, before 12/31/18
- d. James Shin, Fresno, before 12/31/2018

E. Mamadou Keita is assigned to Distributed Generation Central Group, headquartered at 5555 Florin-Perkins Road, Sacramento, upon the signing of this agreement. Keita is eligible for the relocation bonus and if applicable the moving allowance provided for in this agreement.

F. After the employee relocates and reports to the newly designated Capacity or Reliability Headquarters, the employee will receive the appropriate relocation bonus payment. Such bonus payments will be made by the Company after reporting to the new headquarters as soon as administratively possible.

- G. Once the Commitment Letter relocation period ends, the employee will be required to report to the newly designated headquarters that was identified in the Commitment Letter.
- H. Distribution Engineers and Distribution Engineer Associates at the San Carlos headquarters, located at 275 Industrial Road, are not impacted employees under the terms of this agreement and will not be eligible for the incentive options. These employees relocated to Hayward, which is within a commutable distance, on April 1, 2016.
- I. The parties will meet to discuss the application of the Title 22 process to any employees affected.
- J. Moving Allowance. Employees who are eligible for the Section 22.7 Moving Allowance as a result of relocating to a position in one of the new headquarters will be eligible for an enhanced moving allowance of \$5,000. Employees will not be required to relocate to be eligible for the allowance. Eligible employees will receive the allowance as a flat amount rather than as reimbursement for covered expenses as in Section 22.7.

Nothing in this agreement is intended to alter the decision in Arbitration case 188.

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

By: 
 Denise Floyd
 Principal Negotiator

The Union is in agreement.

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

4/14, 2016

By: 
 Joshua Sperry
 Sr. Union Representative