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16-12-ESC

June 30, 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:

As a result of PG&E's ("Company") transition from the legacy GIS system (GasMap) to the new GIS system (GT-GIS), a defined scope of work, in addition to on-going work, has been identified to bring GT-GIS up to date. Executing this defined scope of work in a timely manner is essential for PG&E to ensure GT-GIS has the most current information available for Gas Operations to make the necessary and informed business and operations decisions. The Company's partnership with the Engineers and Scientists of California (ESC) Local 20 ("Union") will enable successful completion of the project and future mapping activities in line with this goal.

Background

The transition to GT-GIS was fully implemented after Release 3 on February 29, 2016. The current activities associated with this implementation include two distinct steps. The first step is to update Pipeline Features Lists (PFLs) in order to incorporate changes taking place in construction as delineated within the as-built job packages. The second step is to create and spatially align the respective pipeline section's geometry ("spatial alignment").

Pipeline Features Lists

Due to unforeseen software issues related to the GT-GIS transition, the Company was not able to bring work associated with the PFL step into ESC jurisdiction consistent with Letter of Agreement 14-22. Thus, there are only contractors currently performing this work. The Company and the Union have discussed the appropriate ESC classification to support these PFL tasks, and have decided to use the Field Design Engineer classification, at least temporarily, so that PG&E can hire and train the appropriate level of staff to execute PFL tasks moving forward. See Figure 1 below for a graphic representation of the workforce plan by functional step.

Spatial Alignment

"Mapping Technician" is the appropriate ESC classification, within Gas Transmission Mapping (GTM), associated with the spatial alignment step of the process. PG&E acknowledges the need for additional Mapping Technicians in order to maintain steady-state spatial alignment tasks. Thus, PG&E has begun taking the necessary steps to fill any current vacancies, and moreover, to increase the number of Mapping Technicians to the appropriate level of staff to maintain steady-state. Additionally, in order to address the defined scope of work, PG&E has engaged contractors to execute spatial alignment tasks. See Figure 1 below for a graphic representation of the workforce plan by functional step. The project-related spatial alignment scope of work allocated to contract labor for completion is defined as all jobs that are not in GasMap, GT-GIS or either with a construction complete date (CN24) prior to March 1, 2016. "Steady-state" is defined as all jobs with a construction complete date of March 1, 2016, or later.

In light of the above, the Company proposes the following:

1. ESC will not grieve the use of contractors or "temporary employees" under sections 27.2.b and/or 27.2.c to perform either PFL tasks until the appropriate level of staff has been hired into the appropriate classification, or to perform Spatial Alignment tasks until one year from the implementation date of this agreement. The Union also permits existing ESC represented employees to provide training and oversight to contractors for the same one-year period.
2. The Company will make all reasonable efforts to post and fill a minimum of 15 additional Mapping Technician positions in GTM, from the baseline of 27, by the end of the one-year period. The parties recognize that successfully filling these positions may not be possible due to factors such as a lack of qualified applicants or rejection of job offers by applicants.
3. Although the contractors will provide their own quality control, work performed by the contract workforce will also be subject to Quality Assurance (QA), meaning sampling and spot-checking intended to ensure that the contract work is of acceptable quality and that the quality control system is working. The Company has engaged a separate contract firm (separate from the contractors performing spatial alignment and PFL work) to perform QA checking of the contracted spatial alignment and PFL work. The QA results of spatial alignment tasks performed by contractors will periodically be reviewed for proposed corrections or process improvements by Company leadership and one or more Mapping Technicians approved by the Company and the ESC. As part of the project-related spatial alignment scope of work, Mapping Technicians approved by the Company and ESC will also perform QA spot checks of the contracted quality control work. A Mapping Technician will provide continuous support and feedback to contractors performing GTM tasks until such time that the same Mapping Technician(s) deems the quality of work produced by contractors to be acceptable. At the request of the Union, the Company will meet to define the specific tasks performed by Mappers under the heading of "QA, support and feedback" for contractors.
4. The Company will identify all work posted into GT-GIS by contractors with a unique marker accessible to GT Mappers and will indicate the LAN ID of the contractor employee who posted that information.
5. An employee(s) assigned to a dedicated special project in support of the GIS system will be offered Subject Matter Expert (SME) upgrades under Letter of Agreement 16-04 in recognition of their duties outside the regular scope of Mapping Technician work. Letter of Agreement 16-04 will apply to this group for a one-year period following implementation of this agreement (whether or not Letter of Agreement 16-04 is extended) and may be extended further by mutual agreement. For employees already performing these tasks, this upgrade will be retroactive to when they began performing these tasks, but no earlier than January 1, 2016. All upgrades will continue for six months from the implementation date unless there is mutual agreement between the Company and Union to extend a SME assignment.
6. The Company will hire employees to perform PFL Build and PFL QC tasks as ESC represented Field Design Engineers and Senior Field Design Engineers. If the ESC and the Company later find that these classifications are not suitable for the designated work, then both parties may agree to change the classifications or create new classifications as appropriate. Subject to available and interested qualified candidates, the Company will hire these ESC represented employees to sustainably maintain such PFL tasks and will regularly meet with the Union to provide updates on staffing. Contract resources may continue to perform PFL tasks for two years following

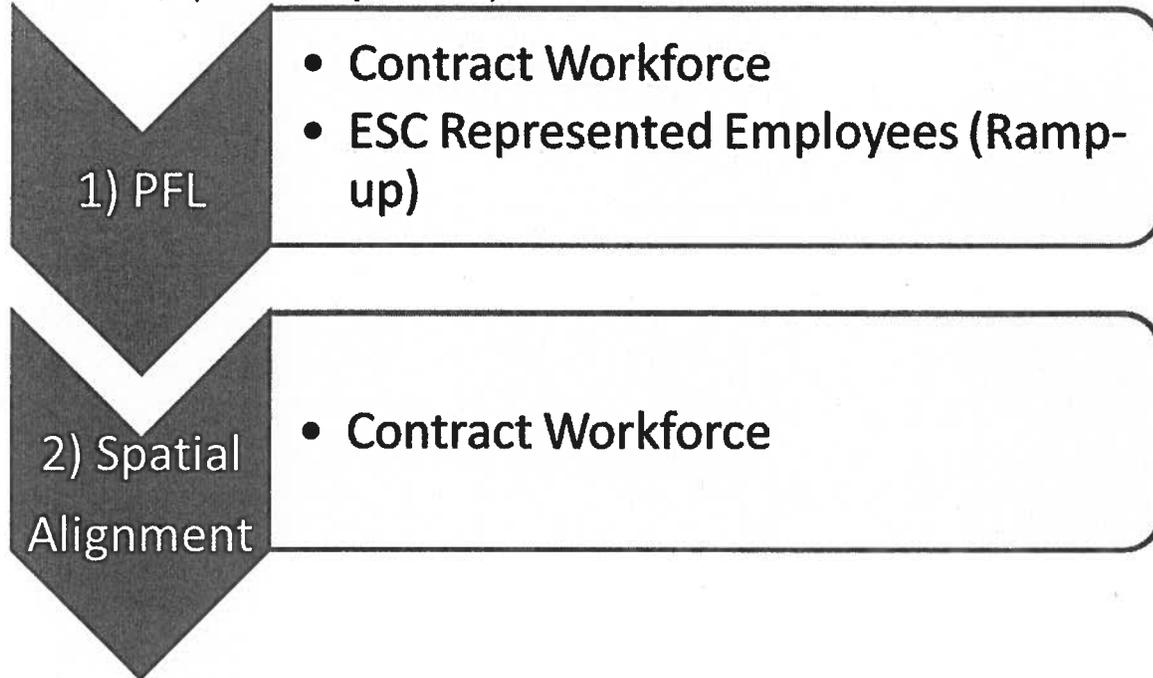
implementation of this agreement, but only if after one year, 50 percent of the required staff has been hired.

- a. PFL Services will be considered an independent contractual headquarters located at 375 N. Wiget Lane, Walnut Creek. The Company will have the option to relocate the headquarters of PFL Design to Bishop Ranch within the two-year period following implementation, without triggering Title 22.9, "A" rights, or the payment of expenses. This is without prejudice to either party's position on the application of 22.9 or other contract sections to a relocation occurring after that time.
 - b. The Company may fill up to 75% of the journey level positions and 50% of the senior level positions through Unrestricted Assignment (URA) for the first year following the implementation date. Employees currently in the Field Design Engineer and Senior Field Design Engineer classification at DCPD will not have bidding rights under section 21.2(d) or (e) to these positions, but would be considered under section 21.2(f) for Senior Field Design Engineer positions and 21.13 for regular Field Design Engineer positions.
 - c. In addition to the qualifications required for Senior Field Design Engineer in the current job description, Senior Field Design Engineers in the PFL group will be required to have 12 months Pipeline/Station Features List experience.
 - d. In the event of a layoff or displacement affecting the PFL Services group, Field Design Engineers in the PFL group may not displace another less senior ESC represented incumbent unless the PFL employee has previously held that classification on a regular basis, meets all current requirements for the position, and has more ESC service than the impacted employees.
7. The Company will meet with the Union and present the status of the backlog and hiring every two months for the two-year period following implementation.

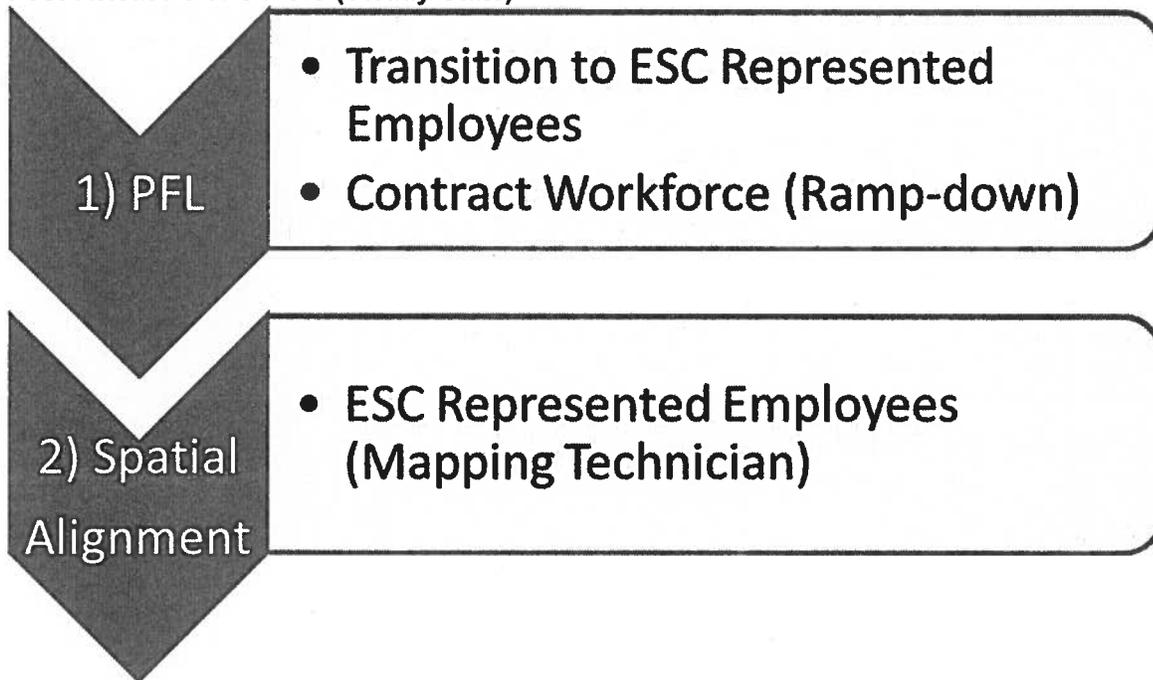
The implementation date of this agreement is June 1, 2016.

Figure 1: Workforce Plan by Functional Step

Pre-Release 3 (Defined Scope of Work)



Post-Release 3 of GT-GIS (Steady-State)



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: Michelle D. Roberts
Michelle Roberts
Principal Negotiator

The Union is in agreement.

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

6/30, 2016

By: Joshua Sperry
Joshua Sperry
Senior Union Representative