

# 2 Year Contract Extension Includes 3% GWIs and Job Protections PG&E Unit Board Recommends “Yes” Vote



June 2018

**Recently, the PG&E Unit Board approved a 2-year Contract Extension Agreement for a ratification vote by the full membership and is recommending a “YES” vote.** This agreement would provide much needed fiscal and job security for ESC Local 20 members while PG&E faces trying and unstable times after the recent North Bay fires.

## **Wages and Working Conditions:**

- ✓ 3% GWI on 1/1/2020 and 1/1/2021
- ✓ Maintains job security and other protections of our contract such as bidding system, overtime, upgrades, work jurisdiction, etc.
- ✓ Grievance procedure remains in place to resolve disputes

## **Interim Negotiations on Certain Agreed to Issues**

Interim Negotiations (i.e. Ad-Hoc Committees) are subject to mutual agreement, meaning ESC Local 20 can simply say “No” to the Company’s proposals. Interim Negotiations offer us an opportunity to explore ideas that could be beneficial to our members without being bound to agreement. ESC Local 20 members will sit at the table for these negotiations, and any agreements reached must be approved by your elected PG&E Unit Board.

## **Re-opener Negotiations on Benefits**

Re-opener Negotiations are similar to full contract negotiations but are limited to certain healthcare and retirement issues. PG&E could make demands for takeaways on these benefits in re-opener negotiations but PG&E could make those same demands without this contract extension. However, with approval of the Contract Extension Agreement, PG&E cannot make demands for takeaways on the GWI or any other contract areas other than those benefits listed (*see right*). Agreements made in re-opener negotiations are subject to full membership ratification vote for approval. Nothing can be implemented sooner than 1/1/2020.

Another factor on Benefits is IBEW. PG&E wants one platform for all employee benefits, so it will be difficult for management to make changes to our benefits and not the IBEW’s. In addition, ESC obtained a commitment from PG&E to maintain our benefits at the same level as IBEW’s.

## **Subjects of Interim Negotiations**

- SO205
- Minimum Qualifications and Job Descriptions
- Work Jurisdiction Between Represented Classifications
- Short Term Incentive Program (STIP)
- Use of Personal Vehicles
- Uniform Wage Ranges
- Monthly Bidding, Advancement and Promotional Consideration
- Contract Language Cleanup

## **Subjects of Re-opener Negotiations**

- Health Care Plans
- Flexible Spending Accounts
- Health Account
- Disability Benefits
- Life and Accident Plan Including: Business Travel, Retirement Benefits, and Work/Life Benefits

## FAQs

### What happens if we vote NO?

If this agreement does not ratify, the entire contract will be open for full negotiations in 2019. At that time, PG&E could propose lower or no wage increases, reductions in job security protections, increased use of contractors, etc. With the high level of uncertainty at PG&E right now, including potentially large fiscal responsibility for the recent fires, your elected leaders of ESC Local 20 feel confident that two more years of guaranteed wage increases and job security is the best option for ESC Local 20 members.

### Will this have any impact on current consolidation agreements?

No, this is completely separate from the office consolidation agreement and incentives negotiated for Service Planning and Design, GDPM&E, and Gas and Electric Mappers. There will be no impact to those agreements whether this extension is approved or not.

### How and when will we vote?

Ballots will likely be mailed by USPS in July to all eligible members. A series of conference calls to explain the Contract Extension Agreement in detail and answer any questions are being held before mailing.

### Why isn't the raise higher? The cost of living in the Bay Area is going up more than these proposed GWIs.

We all know that the Cost of Living is going up very fast in the Bay Area; other parts of the PG&E territory are more affordable. There are already processes in the Contract, such as Critical Pay, which can be used to address this.

Additionally, given the state of flux and financial pressure on PG&E, a GWI of greater than 3% does not seem realistic at this time. Full contract bargaining could actually result in a lower GWI if PG&E is financially stressed in 2019 from potential fire responsibilities. If we do not reach an agreement with the Company in full, regular negotiations, there might not even be a GWI in 2020 or it might be significantly delayed (and retroactivity is not guaranteed).

Your elected leadership agrees that it is a better choice to lock in these pay increases now and use existing contract processes like Critical Pay to push PG&E to address the Bay Area cost issues, rather than hold open the entire contract – making ESC Local 20 more vulnerable – in hopes that PG&E agrees to provide a bigger raise even though they will likely be in a worse fiscal position. Hopefully, PG&E will be in a better financial position to address these very real cost of living issues in 2021.

### What's Next?

- Make sure your co-workers have seen the details of the Contract Extension Agreement and have had a chance to ask questions.
- Stay in touch! Make sure ESC Local 20 has your personal email address so you can be sure to get the latest news right in your inbox. Please send an email with subject “subscribe” to [pgnewsletter@ifpte20.org](mailto:pgnewsletter@ifpte20.org) and then add the address to your safe senders list.
- We like you. Do you like us? Like us on Facebook at [facebook.com/ESCLocal20/](https://facebook.com/ESCLocal20/)