



Engineers & Scientists of California
Local 20, IFPTE AFL-CIO/CLC
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July 23, 2018

Dear ESC Local 20 members at PG&E:

In mid-June, ESC reached a Tentative Agreement with PG&E management to extend the ESC Agreement for two years beyond the current expiration date of December 31, 2019, subject to member ratification.

Your ESC PG&E Unit Board strongly recommends a "YES" vote to ratify the Tentative Agreement. This agreement will provide much-needed financial and job security for ESC Local 20 members while PG&E faces trying and unstable times in the aftermath of the recent North Bay fires.

This Tentative Agreement provides that all ESC members will receive general wage increases (GWIs) of 3% on January 1, 2020 and 3% on January 1, 2021.

The Tentative Agreement includes the possibility of "re-opener" negotiations over employee benefits in mid-2019 because management wanted to retain the ability to propose changes to benefits on the same bargaining schedule that would have been in place without a contract extension. But if the Tentative Agreement is approved, general wage increases and all other terms and conditions in the contract are locked in through the end of 2021 -- only subjects covered under the existing benefits agreement are possible subjects for bargaining.

Because our current Agreement expires at the end of 2019, ESC was already facing bargaining over benefits in 2019 -- the difference now, because of this Tentative Agreement, is that management cannot propose whatever they want to change in the contract in the re-opener negotiations and does not have the leverage of future GWIs as a bargaining chip. The Tentative Agreement therefore reduces the likelihood of management attempting to engaging in aggressive concessionary bargaining over benefits during the term of this contract extension.

If any tentative agreements are made in re-opener negotiations over benefits, they will be subject to full member ratification votes for approval. In addition, ESC has obtained a commitment from PG&E to maintain benefits for our members at the same level as the IBEW, which will negotiate over benefits for its membership in this same timeframe. Finally, no changes in the areas of benefits could be implemented any sooner than 1/1/20.

The Tentative Agreement also includes a list of subjects for interim (or "ad-hoc") negotiations. These are topics raised by both the Company and ESC for discussion during the term of the contract extension and are common in past contracts. These negotiations require mutual agreement, meaning ESC can simply say "no" to the Company's proposals -- as can management to the Union's proposals.

The full text of Tentative Agreement can be viewed on our website at www.ifpte20.org/pg&e.

Additional explanation of the Tentative Agreement can be found in the enclosed flyer and FAQs. Also enclosed are a ballot, ballot envelope, and postage-paid return envelope.

Ballots must be received in the enclosed postage-paid envelope via U.S. Mail at the ESC office on or before August 14, 2018.

John Mader
President

Karen Sawislak
Executive Director

Joshua Sperry
Sr. Union Representative

On behalf of the ESC PG&E Unit Board