



PACIFIC GAS AND ELECTRIC COMPANY LABOR RELATIONS 375 N. WIGET LANE, SUITE 130 WALNUT CREEK, CA 94598 925.974.4461

ENGINEERS AND SCIENTISTS OF CALIFORNIA LOCAL 20, IFPTE, AFL-CIO AND CLC 810 CLAY STREET OAKLAND, CA 94607 510.238.8320

JOSHUA SPERRY

SENIOR UNION REPRESENTIVE

20-03-ESC

March 13, 2020

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:

MATTHEW LEVY

SENIOR DIRECTOR

This letter confirms the Company's understanding of the proposed contract extension of the ESC and PG&E Labor Agreement and the Medical, Dental, Vision Agreement, and Benefits Agreement ("Benefits Agreements"). Subject to Bankruptcy Court approval of the Company Plan of Reorganization, the terms of this agreement will each be extended for an additional four years (previously extended pursuant to LA-18-09) with a new expiration date of December 31, 2025.

In conjunction with this extension, the parties have agreed to a general wage increase ("GWI") of 3.75% for each of the extension years. The 3.75% GWI will be applied on January 1, 2022, January 1, 2023, January 1, 2024, and January 1, 2025.

The Company will maintain the existing medical benefits (includes: Health Reimbursement Account (HRA) medical plan and deductibles, employee out of pocket maximums, and medical insurance copayments) in effect as of January 1, 2020 through December 31, 2025, in accordance with the extension of the Benefits Agreement. The company further agrees to freeze and maintain the January 1, 2020 dollar amount that employees are contributing towards medical insurance premiums through December 31, 2025.

Except for cause, the Company agrees that it will not involuntarily lay off employees covered by the ESC and PG&E Labor Agreement, unless agreed to by ESC, for the duration of the extension, i.e. through December 31, 2025.

Additionally, the parties agree that partnership will be critical to ensure successful emergence from bankruptcy and future company viability. To support this partnership the Union agrees to withdraw grievance # 24943. The parties further agree to enter into a separate agreement identifying several areas in which the parties will engage in ad hoc negotiations to improve affordability, efficiency and customer service.

Once signed this agreement will go into effect subject to ratification by the Union's membership.

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: \_\_\_\_\_\_
Matthew Levy
Senior Director

The Union is in agreement.

ENGINEERS AND SCIENTISTS OF CALIFORNIA LOCAL 20, IFP/TE, AFL-CIO and CLC

3/17\_\_\_\_, 2020

/: \_\_\_\_\_

Joshua Sperry Senior Union Representative