



LETTER AGREEMENT NO. LA 26-02-ESC



PACIFIC GAS AND ELECTRIC COMPANY
LABOR RELATIONS
300 LAKESIDE DRIVE
OAKLAND, CA 94612

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

MATTHEW LEVY SENIOR DIRECTOR
SENIOR DIRECTOR

CARL HARLAND
ASSISTANT EXECUTIVE DIRECTOR

February 26, 2026

Carl Harland, Assistant Executive Director
Engineers and Scientists of California, Local 20 IFPTE (AFL-CIO & CLC)
810 Clay Street
Oakland, CA 94607

Dear Mr. Harland:

In support of making safety the most fundamental and critical element of how we conduct our business, the Company has developed new safety principles. These principles emphasize building a trust based culture, encouraging open and honest communication, understanding underlying causes in order to prevent recurrence, treating safety incidents as learning opportunities, increasing recognition and rewarding of safe behavior, and adopting a behavior-based approach to discipline which decreases the emphasis on discipline.

Under these principles, discipline for safety-related incidents will only be considered when an employee acts in a reckless manner, demonstrates a pattern of carelessness or non-compliance, puts themselves, their co-workers or the public at risk by intentionally violating a Key to Life, or violates the Code of Conduct.

The parties met to discuss the safety principles, and in particular, the limited role of discipline and the use of a behavior based approach. The parties agree to the following as it relates to safety-related incidents.

1. Non-disciplinary safety discussions are the preferred approach to learn from an incident and develop positive approaches for eliminating similar incidents. These one-on-one discussions are opportunities for open and honest discussion of safety incidents with a focus on understanding and learning. Safety discussions are not considered as discipline or coaching and counseling under the Positive Discipline Agreement.
2. The parties agree that discipline for safety-related incidents will only be considered when an employee acts in a reckless manner, demonstrates a pattern of carelessness or non-compliance, puts themselves, their co-workers or the public at risk by intentionally violating a Key to Life, or violates the Code of Conduct.
3. Although there will be significantly less disciplinary action issued with this approach, the Union recognizes the Company's right to issue discipline and discharge for safety related incidents on the basis set forth above. The Union reserves the right to grieve any discipline or demotion.

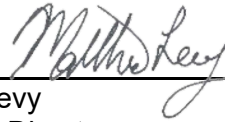
- 4. The parties agree to review open grievances involving safety related discipline issued to current employees prior to the implementation of the safety principles. Where it is determined that the discipline is inconsistent with the new safety principles, the discipline will be adjusted and the grievance will be closed on a non-precedential basis without prejudice.
- 5. The approach implemented by the Company, along with the understandings reached in this letter agreement fulfills the parties' intent to reduce the use of discipline while holding accountable employees with poor safety records.

Either party may cancel this agreement by providing the other party 30 days written notice.

If you are in accord with the foregoing and agree thereto, 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: 
 Matt Levy
 Senior Director

The Union is in accord with the foregoing and agrees thereto as of the date hereof.

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

April 21st, 2026

By: 
 Carl Harland
 Assistant Executive Director