Letter Agreement No. 18-02 Summary and Frequently Asked Questions ESC Local 20 – PG&E Oversight Committee February 16, 2018

Main points of the agreement:

- **1. No layoffs** for 24 months for affected classifications of Estimator, Sr. Estimator, ADE, NBR, SNBR, IPE, Permit Facilitator, Gas DE and Sr. DE.
- 2. Moving Incentives of \$20,000 for a commitment to move during 2018 and \$10,000 to move during 2019. The preferred locations are listed in Letter Agreement No. 18-02-ESC.

<u>Electric and Gas Estimators and ADE's Voluntary Incentives:</u> Move to 15 Design Centers or to become NBR/SNBR's there or at an additional 12 Customer Contact Centers.

<u>Gas Estimators Voluntary Incentives</u>: Move to 9 Gas Estimating locations. <u>Gas Distribution Engineers:</u> 5 specified offers for journey DE's and one Sr. DE. Not all employees will qualify for the incentives.

- Prevent Involuntary Relocations for Estimators, ADE's, IPEs, SNBRs, Gas DE's and Sr DE's for 24 months. There are very limited exceptions allowed for office closure, shorter commute time, or certain moves within the same city (see LA 18-02-ESC for list).
- New Business Rep (NBR) classification with pay equivalent to routine Estimator and exam-based promotion to SNBR. Incentive (\$20/10K) for current impacted Estimators to become NBR or SNBR.
- 5. **Permit Facilitator (PF)** classification with max pay equivalent to Lead Mapping Tech. Incentive (\$20/10K) for current impacted Estimators to become PF with permanent pay range protection.
- 6. **RDO's**: Alternative Work Schedules (9x80 with Friday RDO) offered to Estimators in Design Centers and other locations without customer contact responsibilities.
- 7. **WRO work:** There is a change in work jurisdiction on gas-only WRO jobs under \$500,000 from SNBR to Gas DE.
- 8. **RMC/Local HQ:** The agreement eliminates the distinction between "RMC" and "Local HQ" in the ESC contract. All offices where Estimators work will be considered Local HQ's. The effect of this change on EOT or other areas to be discussed by the Oversight Committee.

Summary: Incentives to move HQ's or become an NBR/SNBR/PF

- 1. Only Impacted employees will receive an Option Election Form. An "Impacted Employee" is defined as:
 - Estimators and ADE's who are NOT in a Design Center or a Transmission Office or Rocklin.
 - GDPM&E Gas Estimators in "Hub" locations will not be impacted, unless there are also Service Planning Gas Estimators at that location (and it is not a Design Center)
 - SNBR's and IPE's who are NOT in a Design Center or Customer Contact Center

This chart summarizes who is "impacted"

	Design Center	Customer Contact Office	Other Office
Elec Est/ADE	Not	Impacted	Impacted
SNBR/IPE	Not	Not	Impacted

	1	2	3	4	5	6
	Design Center	Customer Contact Office (whether GDPME Hub or not)	GDPME Hub (not Design Center or Customer Contact Offc)	GDPME "Other Office" (Sec 1.A.C)	GDPME "Other Office" (Sec 1.A.C)	Other Office, meaning not a Design Center, CC Office, GDPME Hub or GDPME Other
Gas Est/ADE	Not impacted except Auburn and Chico are Impacted	Impacted	Not impacted, unless there are also SP&D Gas Estimators there	Impacted Auburn Hayward Oakland Sacramento Salinas SJ- Cinnabar	Not Impacted Eureka Vallejo Redding Stockton Bakersfield	Impacted

Note: Not all "Impacted Employees" are eligible for moving incentives.

- 2. **To receive a moving incentive,** you must meet ALL of the following criteria:
 - Be an "Impacted Employee" (see definition above)
 - Report to a "preferred" location. (e.g. Design Center, Satellite or Hub Location; Customer Contact center; or to a Permit Facilitator location)
 - Your commute mileage must increase
 - Your new commute must be more than either 20 or 30 miles, as shown on the chart below:

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		Bay*	Non-Bay			
11	Bay*	20 miles or more to get incentive	20 miles or more to get incentive			
Home	Non-Bay	20 miles or more to get incentive	30 miles or more to get incentive			

^{*}Bay Area = San Francisco, Peninsula, De Anza, San Jose, Mission, East Bay, Diablo and North Bay Divisions

3. Amount of Relocation Incentive:

- \$20,000 to move in 2018
- \$10,000 to move in 2019
- \$5,000 Moving allowance: employees who change headquarters and qualify
 for the incentive will also receive a "moving allowance" of \$5,000 if you also
 meet the criteria for moving allowance in Section 22.7 of the ESC Contract.
 You do not need to move or present receipts to receive this allowance. This
 does not apply to employees who elect to change to NBR/SNBR positions in
 their existing office.

Summary: Involuntary "In Town" Moves

There will be a small number of employees who can be relocated by the company without being paid an incentive as follows:

- A. If your commute to the new office is shorter than your current commute, you may be relocated (but not across Bid Region boundaries).
- B. If your current office is being closed, you will be relocated. For this agreement, "Closed" means PG&E is selling the property or giving up the lease, i.e. no PG&E employees will be there.
- C. Company may relocate one Gas ADE, one Gas DE and one Gas Sr. DE from Hayward to San Ramon, if the new commute is shorter than current commute.
- D. You may be relocated as described below as long as your commute to the new office is under 20 miles in the Bay Area, or 30 miles outside the Bay Area:
 - Between Concord Detroit Avenue and Concord Gateway Boulevard
 - Between Fresno California Street and Fresno River Park Place and 90 West Ashlan Avenue, Clovis
 - Between San Jose Cinnabar (Stockton Avenue) and San Jose Edenvale (Santa Teresa Boulevard)
 - Between Santa Rosa Occidental and Santa Rosa Stony Circle
 - Between 5555 Florin-Perkins Road, Sacramento, and 850 Stillwater, West Sacramento (Gas Ops DPM&E only)
 - Between 10900 N. Blaney, Cupertino and San Jose, Cinnabar, 308 Stockton Avenue

Frequently Asked Questions

1. Q: How will mileage be measured from home to office, road miles or "as the crow flies"?

A: Road miles will be used, from an accepted mapping program such as Google Maps.

2. Q: Will NBR's "take work away" from Estimators or SNBR's?

A: NBR's will perform some duties currently performed by Estimators, such as customer contact and job owner for small residential jobs. NBR's will also be permitted to perform SNBR duties up to half of their time. However, because NBR's may advance to SNBR through an exam – very similar to how Routine Estimators advance to Senior Estimator – it is not correct to speak of NBR's "taking work away" from SNBR's anymore than Routine Estimators "take work away" from Senior Estimators. Given that NBR pay will be equivalent to Estimator pay, and SNBR pay

is slightly higher than Sr. Estimator pay, there is no financial incentive to transfer work.

3. Q: Will NBR's take over Fielding from Estimators?

A: NBR's will be permitted to field check certain types of jobs. The Company recognizes that Estimators need to field check complex jobs in order to properly design them. There is no consensus on the details of this work yet, but ESC and PG&E have agreed to work out a checklist.

4. Q: Where will NBR positions be located?

A: This will be determined by the Company. New Business positions will be located in the Design Centers AND Customer Contact Offices.

5. Q: What is "pay range" protection?

A: "Pay protection" means that an employee's current rate of pay is protected, while they remain in an NBR/SNBR or PF classification and they can receive GWI's as well. "Pay range protection" would apply to Sr. Estimators or ADE's who are not at the top of their pay scale – it means they are allowed to continue advancing up the pay steps consistent with Section 15.4(b) and reach maximum pay on the same timeframe as if they had not left the classification, and once at max pay they continue to receive GWI's. This would apply in cases where Sr. Estimators or ADE's choose to go into Permit Facilitator positions. The maximum pay of PF is lower than top pay for SREE or ADE.

6. Q: When will this all happen?

A: In February, Management and ESC will work to develop the election forms and define the selection process to be used. Once the process is defined and forms are ready, the company will distribute election forms to all impacted employees. There will be informational calls and more materials provided to help employees understand their options, and two weeks provided for employees to make elections. Once election forms are received, the Company will determine the assignment, the Oversight Committee will review the assignments and the Company will then communicate the assignments.

7. Q. What if an employee is on Vacation, Leave or Short-Term Disability etc.?

A: Any impacted employee will receive an Election Form. The Company will make every attempt to contact an employee not at work through phone calls, US Mail, etc.

8. Q: I am a Gas Estimator but not in GDPME. The GDPME Gas Estimator in my office is "impacted". Am I "impacted"?

A: Yes. If any Gas Estimators and ADE's in an office are considered "impacted", then all the Gas Estimators and ADE's in that office are considered "impacted."

9. Q. Are Gas Distribution Engineers considered "Impacted"?

A: The Gas DE's at the locations in LA 18-02 (Section 8) will be offered the same incentives as impacted employees. However, the only options provided will be those listed in the Letter Agreement. This will affect Planning DE's if co-located at that headquarters. If this occurs, then both employees will be provided the choices available, but the assignments will be based upon seniority. If neither employee elects to move, then neither will be relocated during the term of the Letter Agreement.

10.Q: What if I list several options on my election form, and the Company offers me my "second choice"? Can I wait to see if my first choice becomes available?

A: This depends on what your choices were. If you are offered NBR/SNBR or PF and you accept, you will be required to report immediately. If you are offered an Estimator/ADE in a Design Center, then you can choose to delay your report date. If your first choice becomes available before you report, then the Oversight Committee will quarterly conduct a review to determine if it can still be provided as an option. Once you report you will not be allowed to change your selection.

11.Q: What if I don't choose anything?

A: If you don't submit a form or submit a form without selecting an option, you will stay in your current HQ and classification. You can still bid to other openings using the normal bid process, but you won't receive any incentive payments. The Company has committed not to do any involuntary relocations (except as noted above) or layoffs until the end of 2019. After that time, all the normal contract sections will be in effect. This does not mean you will be laid off or relocated, but that the Company can implement those types of impacts following the processes of the Contract.

If you decide that your choice is to stay in your current classification and HQ, please submit a form stating this. This will help the Oversight Committee know that you made a choice.

12.Q: I am an Estimator/ADE in a Design Center and I want to become an NBR in my own office, will others get preference over me?

A: Yes "Impacted employees" will be given first preference. So even though the job is in your current HQ and you may be doing those duties today, the NBR position would be assigned to any "impacted employee" who chooses it, ahead of you.

13.Q: I am an Estimator/ADE in a Design Center – do I have an option to commit to relocate and get an incentive?

A: No. Employees already in Design Centers are not being offered any incentives to move or change classifications.

14.Q: I am a Senior Estimator. If I choose an NBR position, will I become an NBR or SNBR, and will my pay be frozen or reduced?

A: Sr. Estimators and ADE's will be placed automatically as SNBR's and will move into the position with their current pay. They can advance to top SNBR pay in 2.5% steps every six months. ADE's will also receive pay range protection (this is not needed for Sr. Estimators, since SNBR top pay is higher than Sr. Estimator top pay).

15.Q: Will I get to choose my report date?

A: This depends on what position you are choosing. If selecting an Estimator/ADE position at a Design Center or Gas Hub location, you and your leadership will determine your report date within the given year. You will have the ability to provide a date or a date range in which you are willing to report. However, there may be situations where management needs to postpone your actual report date, for example if cubicles are not available. If you choose NBR/SNBR or PF, the Company will assign a report date.

16.Q: What if I sign up to move in 2018 but management postpones my report date into 2019?

A: If you commit to move in 2018, but the Company is unable to move you in 2018, you will still be paid the 2018 amount of \$20,000.

17.Q: Can I retire after receiving an incentive?

A: Yes, however you must report in order to receive the Relocation incentive payment.

18.Q: Can I bid to other positions once I report to a Design Center?

A: The commitment includes a two-year waiver of your bid rights to most other jobs at PG&E, but you will still be able to take a promotion to other jobs in your line of progression.

19.Q: Can I bid to another position before I report?

A: Yes, until you report you can bid to other HQ's or classifications. Once you report, if you accepted an incentive payment, you will have some restrictions on bidding to other positions for 24 months.

20.Q. When will positions again be open to fill through bidding?

A: Following the initial Election Form process, the Oversight Committee will continue to regularly review any election options and vacancies during the two year relocation period. Available open positions not selected and filled through the above, will be filled utilizing the Title 21 Bidding Processes. Employees are encouraged to submit bids for any position they are interested in.

21.Q: What happens to pay for a Routine Estimator moving into Permit Facilitator position?

A: A Routine Estimator who is placed into Permit Facilitator will come over with their current pay at the time. They will receive progressive wage increases of 2.5% every 6 months, starting 6 months after they are placed into the PF position.

22.Q: What will happen to Hiring Hall or Canus Estimators in this process?

A: This process is not intended to affect Hiring Hall or Canus Estimators. Per the contract, HH employees cannot be relocated. However, they can be released at any time. The Company's plan at this time is to maintain current HH staffing levels and locations; however this could change as the staffing process moves forward.

23.Q: Will I receive "A" rights in this process, even if I accept the relocation incentive?

A: Yes if you have relocated or accepted another position. For example, an Electric Estimator in Marysville who chooses to relocate to West Sacramento or Auburn (or another office) will have "A" rights (section 22.3.c) to return to the first vacancy in Marysville and to the first Electric Estimator vacancy in Marysville.

24.Q: I currently have "A" rights to another office. If I relocate and accept an incentive, am I waiving my ability to use those "A" rights for 24 months?

A: No. Pre-existing "A" rights are specifically preserved and will not be waived

25.Q: I am eligible for a relocation incentive to move to a Design Center. Can I choose to relocate to a Design Center without waiving my bidding rights and without accepting the \$10/20,000?

A: Yes, that option will be available through the Commitment Letter Process.

26.Q: Can one employee "bump" out another employee in this process?

A: No. No employee will lose their current position (meaning their classification and HQ) in this process to another employee. In the ESC contract, displacement (bumping) only occurs when there is a lack of work situation. There is no lack of work in Service Planning & Design or GDPM&E at this time.

27.Q: Can I make elections based on which department my future position will be in (e.g. SP&D versus GDPM&E):

A: No. Work assignments are up to the Company. You should make elections based on headquarters and classifications, not departments or work assignments. In addition, work assignments can be changed at any time.

28.Q: Where can I find the seniority list?

A: The lists can be located through the PG&E Intranet at: http://wwwhr/unioninfo/displacement/SeniorityEsc.asp

Please note that these lists are organized by the SAP Job Codes, and there are multiple codes for each ESC classification. For example, Gas Estimator, Sr. Gas Estimator - Local and Sr. Gas Estimator - Passed Test are all different Job Codes but are all the same ESC classification for this process. Please keep this concept in mind when reviewing the lists.

29.Q: Can I retire after receiving the incentive payment? How does that affect how I fill out the election form?

A: Any plans you have for retirement are not impacted by these forms. You may retire after reporting to a new location and receiving the incentive payment. You are encouraged to communicate your retirement plans to your current and/or future supervisor; but this is at your discretion.

30.Q: I have already scheduled vacation. Will this still be honored if I report to a new HQ prior to that vacation?

A: The Company will honor existing approved, scheduled vacation. Any changes would be under the same process as for changes to scheduled vacation for employee who did not change offices (e.g. major emergency)

31.Q: Will employees already in the Applicant Connect group stay in that work group if they report to a new HQ?

A: This work assignment could change.

32.Q: Will Sr. Estimators be allowed to take the ADE exam if they move into SNBR or PF positions?

A: This depends on the timing. There is an ADE exam scheduled for March 27, 2018. Sr. Estimators were already notified that they must enroll for the exam by Feb 27, 2018. Those who enroll by that date will be permitted to take the exam on March 27, 2018, even if they have reported to their new position. If they pass the exam (results come out in June), they will be awarded the ADE pay range retroactively but will remain in the NB/PF position. Beyond March 2018, Sr. Estimators who report to SNBR or PF positions will not be eligible to take the ADE exam.

33.Q: Can I put down a report date later than Dec 31, 2019? A: No.

34.Q. Where are the Permit Facilitator positions located?

The planned locations are:

Eureka	Auburn	Chico
Santa Rosa	San Ramon (Bishop Ranch)	San Carlos
W. Sacramento	San Francisco Service Center	Salinas
San Jose-Cinnabar	Concord RMC	Merced
Oakland Service Center	San Rafael Service Center	Stockton
Fresno Service Center	Bakersfield	San Luis Obispo

35. Q: What are the bid regions?

A: Bidding Units

- Bay Region Diablo, East Bay, North Bay, Peninsula, and San Francisco Divisions
 Bishop Ranch is in this region
- Mission Trail Region Central Coast, De Anza, Los Padres, Mission, and San Jose Divisions
- Northern Region North Coast, North Valley, Sacramento, and Sierra Divisions
- San Joaquin Valley Region Fresno, Kern, Stockton, and Yosemite Divisions

Sample Scenarios

These scenarios are designed to give you an idea of your options through the election process. Any assignment will be made based on seniority and availability in order of headquarters, bid region, and system.

1. A Routine Estimator, Electric in Grass Valley

Employee may choose to:

- Stay in Grass Valley for next two years (not eligible for incentive)
- Move to a Design Center as an Estimator (this will reserve a seat and will make you eligible for an incentive if home is 30+ miles from the new HQ)
- Move to a Customer Contact office as a New Business Representative (will be eligible for incentive if home is 30+ miles from the new HQ)
- Move to a Permit Facilitator position in any office where it is available (will be eligible for incentive if home is 30+ miles from the new HQ)

When making assignments, the Employee will have preferential consideration for positions in the Northern Region. For positions in other regions, the employee will be considered after other employees who are already in that region.

2. A Senior Estimator, Gas in Santa Cruz

Employee may choose to:

- Stay in Santa Cruz for the next two years (not eligible for incentive)
- Move to a Design Center or a DPM&E hub as a Senior Estimator (this will reserve a seat and will qualify for the incentive if home is 30+ miles from the new HQ)
- Move into a Senior New Business Representative position in Santa Cruz (not eligible for incentive)

- Move to a Customer Contact office as a Senior New Business Representative (will be eligible for incentive if home is 30+ miles from the new HQ)
- Accept a Permit Facilitator position in any office where it is available (will be eligible for incentive if home is 30+ miles from the new HQ)

When making assignments, the Employee will have preferential consideration for positions in the Mission Trails Region. For positions in other regions, the employee will be considered after other employees who are already in that region.

Estimating/New Business/Permitting Staffing Plan

The chart below summarizes the Company's staffing plan for Estimating, New Business and Permit Facilitator positions.

Important Note on Staffing Plan: These numbers are as of January 31, are not binding and could change, including substantial changes. This reflects the Company's current projections based on workload, space availability and other factors. We urge employees to keep this in mind when making elections. For example, you may want to elect an office where seats are not shown as available, because seats in that office could become available during the relocation period. The Oversight Committee recommends that you make elections based on your preferences for location and job classification, not based on what you think is most likely under this staffing projection.

Region	Office	Electric Estimating	Gas Estimating	New Business	Permit Facilitator	Electric Estimating	Gas Estimating	New Business	Permit Facilitator	Electric Estimating	Gas Estimating	New Business	Permit Facilitator	Net for Office
			Present				Future				Change			
San Joaquin														
	Angels Camp	1	0	1	0	0	0	3	0	-1	0	2	0	1
	Bakersfield	25	3	9	0	25	3	9	1	0	0	0	1	1
	Dinuba	1	0	0	0	0	0	0	0	-1	0	0	0	-1
	Fresno SC	18	5	17	0	0	24	0	2	- 18	19	- 17	2	-14
	Fresno DC	74	19	2	0	97	10	19	0	23	-9	17	0	31
	Jackson	2	0	0	0	0	0	0	0	-2	0	0	0	-2
	Madera	5	1	4	0	0	0	0	0	-5	-1	-4	0	-10
	Mariposa	1	0	0	0	0	0	0	0	-1	0	0	0	-1
	Merced	6	2	4	0	6	2	11	2	0	0	7	2	9
	Modesto	0	3	1	0	0	7	0	0	0	4	-1	0	3
	Oakdale	2	0	1	0	0	0	0	0	-2	0	-1	0	-3
	Oakhurst	2	0	0	0	0	0	0	0	-2	0	0	0	-2
	Selma	1	0	1	0	0	0	0	0	-1	0	-1	0	-2
	Sonora	1	0	1	0	0	0	0	0	-1	0	-1	0	-2
	Stockton West Ln	0	1	0	0	0	1	0	0	0	0	0	0	0
	Stockton	8	3	6	2	56	4	9	2	48	1	3	0	52
Mission Trail														

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	Cinnabar	10	5	9	1		0	2	25	6		10	-3	16	5	8
	Cupertino	13	2	7	0		0	0	0	0		- 13	-2	-7	0	-22
	Edenvale	1	2	5	0		36	12	0	0		35	10	-5	0	40
	Fremont	2	1	2	0		0	0	0	0		-2	-1	-2	0	-5
	Hayward	5	2	3	0		0	1	0	0		-5	-1	-3	0	-9
	Livermore	4	2	3	0		0	0	9	0		-4	-2	6	0	0
	Monterey	1	1	2	0		0	0	0	0		-1	-1	-2	0	-4
	Salinas	8	3	4	0		0	1	10	1		-8	-2	6	1	-3
	San Luis Obispo	7	0	2	0		11	0	9	1		4	0	7	1	12
	Santa Cruz	3	1	2	0		0	0	4	0		-3	-1	2	0	-2
	Santa Maria	4	0	3	0		0	0	0	0		-4	0	-3	0	-7
	Templeton	3	0	3	0		0	0	0	0		-3	0	-3	0	-6
Bay																
Region																
	Antioch	5	2	3	0		0	0	0	0		-5	-2	-3	0	-10
	Concord SC	11	6	9	0		0	0	0	0		- 11	-6	-9	0	-26
	Concord DC	53	12	3	0		73	18	14	2		20	6	11	2	39
	Napa	6	2	5	0		0	0	5	0		-6	-2	0	0	-8
	Oakland	10	8	7	0		0	2	15	3		10	-6	8	3	-5
	Richmond	7	3	4	0		0	0	0	0		-7	-3	-4	0	-14
	San Carlos	12	6	6	1		0	2	14	3		- 12	-4	8	2	-6
	San Francisco	23	28	15	1		42	37	20	3		19	9	5	2	35
												-				
	San Rafael	10	5	4	0		0	1	6	3		10	-4	2	3	-9
	San Ramon	0	29	0	0		0	32	0	4		0	3	0	4	7
Northern Region																
	Auburn	9	4	4	0		9	3	10	1		0	-1	6	1	6
	Chico	22	8	3	0		22	5	6	1		0	-3	3	1	1
	Eureka	5	2	1	0		5	2	3	1		0	0	2	1	3
	Grass Valley	2	1	1	0		0	0	0	0		-2	-1	-1	0	-4
	Lakeport	3	0	0	0		0	0	0	0		-3	0	0	0	-3
	Marysville	4	1	3	0		0	0	3	0		-4	-1	0	0	-5
	Petaluma	4	0	0	0		0	0	0	0		-4	0	0	0	-4
	Placerville	4	0	1	0		0	0	2	0		-4	0	1	0	-3
	Red Bluff	2	0	1	0		0	0	0	0		-2	0	-1	0	-3
	Redding	4	3	3	0		6	3	5	0		2	0	2	0	4
	Sacramento SC	0	8	2	0		0	2	0	0		0	-6	-2	0	-8

Santa Rosa DC	24	3	0	0	50	8	0	0	26	5	0	0	31
Santa Rosa SC	8	6	4	0	0	6	9	1	-8	0	5	1	-2
Ukiah	2	0	1	0	4	0	3	0	2	0	2	0	4
Vacaville	4	2	2	1	0	0	0	1	-4	-2	-2	0	-8
Vallejo	0	1	0	0	0	1	0	0	0	0	0	0	0
West Sacramento	32	23	2	0	48	30	9	3	16	7	7	3	33
Woodland	4	0	1	0	0	0	0	0	-4	0	-1	0	-5
Totals	478	219	177	6	490	219	232	41	12	0	55	35	102