



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kip Harkness

SUBJECT: SEE BELOW

DATE: September 28, 2023

Approved

Date

9/29/23

SUPPLEMENTAL

SUBJECT: ORDINANCE AMENDING TITLES 2, 4, AND 26 AND ADDING TITLE 28 TO THE SAN JOSE MUNICIPAL CODE TO ESTABLISH A MUNICIPAL UTILITY FOR ELECTRIC SERVICE

REASON FOR SUPPLEMENTAL

This supplement to the memorandum dated July 24, 2023, titled “Ordinance Amending Titles 2, 4, and 26 and Adding Title 28 to the San José Municipal Code to Establish a Municipal Utility for Electric Service”, provides additional public information on issues raised during briefings and at the August 15, 2023 City Council meeting. City staff is not proposing any changes to the proposed ordinance itself nor to the recommendations in the July 24, 2023 memorandum. This memorandum details the additional stakeholder engagement that was completed as well as provides more information on the new transmission lines being constructed in San José.

Exploratory Phase and Stakeholder Engagement

The City is exploring whether to provide Municipal Utility for Electric Service in very limited areas of the city and select City facilities. Adopting the recommended Title 28 is required for staff to gather data needed to continue this exploratory phase. City staff seek to ask and answer four key questions during the exploratory phase. If the City were to provide Municipal Utility for Electric Service in limited areas of the city, could that be done in a way that would:

1. Reduce electricity energy costs for the consumer?
2. Allow the development of more innovative and energy efficient buildings, such as envisioned in the planned Downtown West development?

3. Increase the electrical resilience of the City of San José and critical infrastructure for both climate change and emergency response?
4. Enable the City to attract and retain the skilled and trained talent required to perform this work effectively and reliably?

Over the past two months, City staff have met with both Pacific Gas and Electric (PG&E) and the International Brotherhood of Electrical Works (IBEW) to better understand their perspectives and concerns and to identify common interests and areas for future collaboration.

PG&E

Over the past two years, City staff and PG&E have engaged in extensive constructive cooperation with a particular emphasis on emergency preparedness and response and PG&E's reorganized corporate structure that emphasizes regional engagement. In the last few weeks, the City met twice with PG&E, working to broaden this collaboration and better understand its concerns and perspective.

The City's working relationship and interests in PG&E covers a broad range of areas, including 1) emergency response, 2) electrical connections to development, 3) resilience and innovation, 4) electrical distribution and transmission, 5) load forecasting and future planning, 6) energy generation, and 7) the exploration of potential Municipal Utility for Electric Service. Along that continuum with PG&E, the City's relationship ranges from partnership in areas such as emergency management, to the City's lead in electrical generation, and to potential competitors in serving customers in San José.

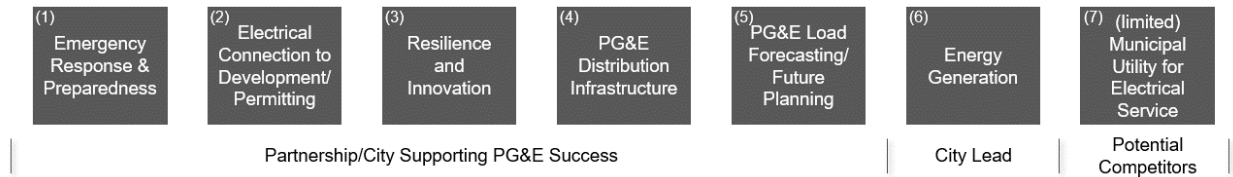
Of the seven areas discussed, the City believes that it can improve coordination and collaboration across the board. It is important to note that the City needs and wants PG&E to be successful. Even if the City moves toward Municipal Utility for Electric Service in limited areas, PG&E will continue to own and maintain the electrical distribution systems for the vast majority of the city and will continue to be a daily partner in electrical connections for new development and a core partner in the City's emergency preparedness and response. The City should continue to strengthen regular collaboration with PG&E, even though there will inevitably be areas of conflict and disagreement, in particular, as it relates to community choice aggregation policy issues and potential Municipal Utility for Electric Service.

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City and PG&E Partnership Matrix



Over the coming year, the City desires to continue maintaining the high level of partnership with PG&E on:

- (1) Emergency response and preparedness.

And, the City intends to constructively engage in deeper cooperation on upgrading and expanding the physical electric distribution infrastructure:

- (2) Partnering on electrical connection for new development and permitting.
- (3) Exploring opportunities to improve resilience and drive innovation.
- (4) Working together on upgrades to PG&E's distribution infrastructure.
- (5) Improving the timeliness and accuracy of load forecasting and future planning.

PG&E is currently working on a complete overhaul of its distribution planning process. It is not only PG&E's planning function that is being overhauled, but, critically, the process whereby plans are approved by regulators and translated into budgets and projects are timely and efficiently executed. The City and PG&E need each other to achieve success in this vital exercise.

In one area, the City will lead as the primary provider of choice and PG&E as backup for:

- (6) Energy generation (community choice aggregation).

And, the City will likely remain competitors with PG&E as we explore:

- (7) Limited San José Municipal Utility for Electrical Service.

The City sees its relationship with PG&E as multifaceted, and there are more areas where the City and PG&E have aligned interests, than not. In the areas where the City and PG&E's interests diverge, staff feel it is worth continuing to explore the tradeoffs as explained in the August 15, 2023 City Council Memo.

Discussions with IBEW

IBEW represents a broad range of electrical workers from utility lineman, cable splicers, instrument control technicians, and electricians. IBEW workers will be critical to the success of any future Municipal Utility for Electric Service in the City of San José. While a wide range of

trades, professions, and expertise will be needed to design, build, operate, and maintain a new Municipal Utility for Electric Service, the trained and skilled electrical workers represented by IBEW will form the backbone and vital core of both the initial construction and ongoing operations and maintenance of the new electric service.

Staff would not recommend proceeding with scaling up a Municipal Utility for Electric Service until staff is assured of being able to attract and retain skilled and trained electrical workers needed to ensure success. Staff met with IBEW twice over the last month to understand issues and ensure the City is better prepared to work collaboratively with labor partners to ensure the success of this potential new line of service.

IBEW shared the significant challenges of finding skilled workers and training enough new workers to meet increased demand and it provided details of recent bargaining agreements that address the high cost of living in the Bay Area (see **Attachment**). This information has helped deepen staff's understanding of the complexity of attracting and retaining labor. The costs associated with recruiting and onboarding skilled employees will be built into the modeling and analysis of a potential Municipal Utility for Electric Service.

IBEW also invited staff to tour its amazing new training facility on September 18, 2023. This spacious and well-appointed facility provides classrooms and a state of the art hands-on workshop to allow hundreds of apprentices to learn the entire range of skills, from pipe bending to splicing and instrument controls and wiring; skills required to be certified in the State of California. IBEW commits to covering the costs for the multiyear training undertaken by apprentices and invests approximately \$70,000 per each successful graduate of its program. During the meeting at the IBEW training facility, staff discussed three key areas of potential partnership:

- (1) Improve permitting in the City of San José, especially for the most common forms of electrical connection and work,
- (2) Workforce development to prepare the next generation of skilled and trained electrical workers and how to attract people at an early age to consider and enter the trades,
- (3) Small business development to enable the creation of electrical small businesses that can meet needs that larger businesses might ignore but are nevertheless vital to our green electric future.

Stakeholder Engagement Going Forward

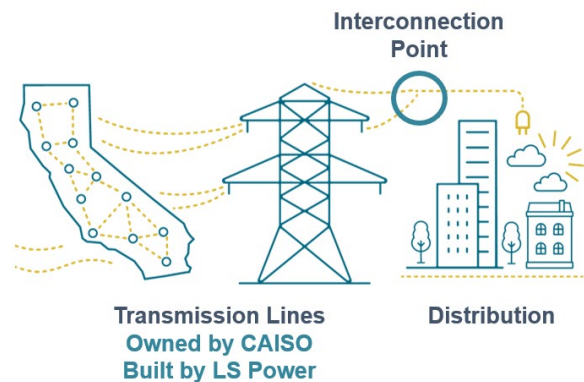
The cordial and productive initial discussions with both PG&E and IBEW have provided invaluable information to improve the City's modeling and analysis of a potential Municipal Utility for Electric Service and have opened a range of important issues for ongoing collaboration. Staff intends to continue this stakeholder engagement with both groups throughout the exploratory phase to better inform the City's work and to begin to take action on the other areas of potential collaboration identified.

City staff does not now know what the outcome of this exploratory phase will be or if staff will recommend moving beyond exploration to the City Council for direction. However, staff's analysis and ultimate recommendation will only be strengthened by engaging with stakeholders with deep expertise and diverse viewpoints such as PG&E and IBEW. Staff recognizes, that in the end, staff may not agree with PG&E and IBEW on the final recommendations, but understands the deep value of continued collaboration in the many areas where the City's interests align.

Transmission Lines and Interconnection Requests

Transmission lines are the large high voltage power lines that carry electricity from the places where electricity is generated, such as a solar farm or nuclear power plant, to the distribution network. The 27,000 miles of transmission lines in California are coordinated by the non-profit California Independent Systems Operator (CAISO).

The City of San José is about to receive two new High Voltage Direct Current transmission lines. LS Power was recently selected to construct both of the new high voltage transmission lines and connect them to the existing grid. LS Power is contracted by CAISO and this project will proceed regardless of any action the City Council takes regarding Title 28.



Over the past year, the City pulled together a multi-departmental team led by the City Manager's Office to ensure effective coordination with LS Power in siting of facilities and utility lines and support the success of its work while minimizing the disruptive effects of these massive construction projects. LS power has been highly responsive to the City's interests and requests and is well on its way to a successful project launch. The City will continue this high level coordination with LS Power through the duration of the design and construction of these transmission lines.

The interconnection points where the transmission lines will end are the locations where San José's potential future distribution network could be connected to the transmission lines. By adopting Title 28, the City has the ability to explore connecting to the grid at these new interconnection points. Directly connecting the transmission lines at these interconnection points would be significantly cheaper and faster if planned during the design phase and before construction is underway. Title 28 preserves the *option* for the City to connect directly to these points in the future but *does not commit* the City to doing so.

City of San José Electrical Plan of Service Exploratory Phase

Adopting Title 28 allows the City to explore the option to provide electrical service. To reduce capital costs, the Administration recommends limiting the area where the City would provide electric service near the new transmission lines. The sites under consideration are critical City facilities and potentially new development in North San José and near the Diridon Station area. The Administration does not recommend taking over existing PG&E distribution infrastructure due to the cost and liability that the City would incur.

As part of the exploratory phase, the City will need to develop a “Plan of Service” to forecast how much electricity the City would need for these limited new service connections. The Plan of Service will be developed by staff prior to start of construction of the LS power facilities currently scheduled for early 2026. Permitting of the new LS Power facilities will commence in early 2024¹. The City will be a party to that proceeding.

Developing the Plan of Service and preparing an “Interconnection Agreement” for signature does not commit the City to proceed with construction of a Municipal Utility for Electrical Service. City Council approval would be required prior to committing construction funds for any new City-owned facilities that would flow from signing an Interconnection Agreement with LS Power and the CAISO. Staff will develop that Plan of Service over the next three years.

The conceptual Plan of Service includes two potential interconnections:

1. Substation San José B at Guadalupe Parkway and Coleman Avenue
2. North San José/Regional Wastewater Facility Lands for Future Development

Substation San José B

The interconnection at Substation San José B could include new developments in a swath of territory east of the rail right of way from south of Diridon Station and north to the City of Santa Clara line. City utility service could potentially serve:

- The planned new multi-modal Diridon Station, including the optional relocation of the Rail Maintenance Facility,
- The Downtown West project,
- The San José Mineta International Airport, including the planned new terminal building and extensive electric vehicle charging facilities for on-site parking, and
- The planned expansion of new data centers north of the airport.

North San José

In North San José near Alviso, a new interconnection could serve new development, including:

- Potential water purification or brackish water desalination facilities,
- Expansion of data center(s) under construction in the area,

¹ The permitting public process is known as a “Certificate of Public Convenience and Necessity” and is conducted by the California Public Utilities Commission as the lead agency.

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- Zoned manufacturing and industrial development, and
- Potential solar plus battery storage and generation in the region.

Conclusion

In conclusion, the City is exploring whether to provide Municipal Utility for Electric Service in very limited areas of the city and select City facilities. Adopting the recommended Title 28 and related actions in the original memorandum from August 15, 2023 is required for staff to gather the data needed to continue this exploratory phase. City staff seek to ask and answer four key questions during the exploratory phase. If the City were to provide Municipal Utility for Electric Service in limited areas of the city, could that be done in a way that would:

1. Reduce electricity energy costs for the consumer?
2. Allow the development of more innovative and energy efficient buildings such as envisioned in the planned Downtown West development?
3. Increase the electrical resilience of the City of San José and critical infrastructure for both climate change and emergency response?
4. Enable the City to attract and retain the skilled and trained talent required to perform this work effectively and reliably?

City staff intends to continue stakeholder engagement with both PG&E and IBEW and others throughout the exploratory phase to both better inform the City's work and to begin to take action on areas of potential collaboration.

City staff will return to City Council with the results of this exploratory phase to provide additional information and analysis and to seek approval, direction, and guidance on any recommended actions.

/s/

KIP HARKNESS

Deputy City Manager

For questions, please contact Erica Garaffo, Lead Resilience Strategist, at erica.garaffo@sanjoseca.gov.

Attachment: Side Letter Labor Agreement between IBEW Local 1245 and PG&E



LETTER AGREEMENT NO. 22-06-PGE



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

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, AFL-CIO
LOCAL UNION 1245, I.B.E.W.
P.O. BOX 2547
VACAVILLE, CALIFORNIA 95696
707.452.2700
BOB DEAN
BUSINESS MANAGER

February 2, 2022

Mr. Bob Dean, Business Manager
Local Union No. 1245
International Brotherhood of
Electrical Workers, AFL-CIO
P.O. Box 2547
Vacaville, CA 95696

Dear Mr. Dean:

The Company and Union met to discuss the challenge of retaining and attracting specific apprentice and journeyman classifications (listed in Tables 1 – 4) within the San Francisco, Peninsula, De Anza and San Jose divisions.

This agreement addresses the critical staffing levels within specific headquarters listed in Table 5 and Company efforts to attract and retain employees into the classifications listed in Tables 1-4, and the parties have agreed upon the following:

1. Premium Wages
2. Special Overtime Provisions
3. Retention Incentive
4. Housing Subsidy that is available as an option to specific employees for up to thirty-six (36) months
5. A Bid Lock, applicable to employees who enter these classifications and headquarters/locations on or after March 13, 2022
6. Eligible Headquarters
7. Comparable Classifications
8. Mortgage Subsidy Program Reopener
9. Alternative Work Schedules
10. Oversight Committee

This agreement supersedes LA R1-19-17 for the headquarters or locations listed on Table 5. LA R1-19-17 will remain in effect, under the same terms and conditions, for the East Bay Division, Mission Division and Promo/Demo Area 7 headquarters/locations as listed in Attachment 1 of LA R1-19-17.

1. **Wages:**

- A) Journey level employees hired before March 13, 2022 who are currently regularly headquartered at an eligible headquarters or location (listed on Table 5) and in an eligible classification (listed on Table 1) will receive a twenty-five percent (25%) hourly wage premium, effective March 13, 2022. This hourly wage premium replaces the hourly wage premium offered under LA R1-19-17 for these eligible employees only.

Eligible employees must accumulate at least twenty-four (24) months (4,160 straight-time hours) of participation in the 25% premium program before the 25% increase will be included in the "Basic Weekly Pay" for the purpose of calculating benefits under Part II (the Final Pay Pension) of the Retirement Plan, Covered Compensation under Part III of the Pacific Gas and Electric Company Retirement Plan, and Covered Compensation under the Retirement Savings Plan for Union-Represented Employees.

Eligible incumbent employees (i.e. those included in LA R1-19-17) will receive equal credit for time previously worked while within an eligible classification and location toward the twenty-four (24) month requirement to qualify for the 25% increase to be included in the "Basic Weekly Pay" for the purpose of calculating benefits under Part II (the Final Pay Pension) of the Retirement Plan, Covered Compensation under Part III of the Pacific Gas and Electric Company Retirement Plan, and Covered Compensation under the Retirement Savings Plan for Union-Represented Employees.

After an employee accumulates twenty-four (24) months (4,160 straight-time hours) of service in the 25% hourly wage premium program, the increase will be included in the "Basic Weekly Pay" for retirement purposes, through reclassification of the employee to the appropriate equivalent classification in Table 3.

- B) Apprentice employees hired before March 13, 2022 who are regularly headquartered at an eligible headquarters or location (listed on Table 5) and in an eligible classification (listed on Table 2) will receive a ten percent (10%) hourly wage premium, effective March 13, 2022, once they reach the 30-month step of their respective classification. The 10% hourly wage premium will not be included in the "Basic Weekly Pay" for the purpose of calculating benefits under Part II (the Final Pay Pension) of the Pacific Gas and Electric Company Retirement Plan, Covered Compensation under Part III of the Pacific Gas and Electric Company Retirement Plan, and Covered Compensation under the Retirement Savings Plan for Union-Represented Employees.
- C) Journey level employees hired on or after March 13, 2022 who are regularly headquartered at an eligible headquarters or location (listed on Table 5) and in an eligible classification (listed on Table 3) will receive a base hourly wage rate that is twenty-five percent (25%) higher than the base hourly wage rate for the equivalent classification listed on Table 1.
- D) Apprentice employees hired on or after March 13, 2022 who are regularly headquartered at an eligible headquarters or location (listed on Table 5) and in an eligible classification (listed on Table 4) will receive a base hourly wage rate that is ten percent (10%) higher than the base hourly wage rate for the equivalent classification listed on Table 2, once they reach the 30-month step of their respective classification.
- E) The new premiums and wage rates will be programmed and applied as soon as administratively possible. If the premiums and wage rates are not available by March 13, 2022, the pay will be retroactive to March 13, 2022. The intent of the premium is to incentivize eligible employees to be regularly headquartered at the locations listed in Table 5. Employees assigned to provide temporary support at those headquarters/locations will not be eligible to receive the hourly wage premium. Employees on an upgrade from an eligible classification or upgraded as a subject matter expert from an eligible base classification and regularly assigned to a headquarters listed in Table 5, will continue to be eligible to receive the hourly wage premium.

2. **Overtime:**

- A) The parties agree that all overtime will be paid at the double-time rate of pay for those employees within eligible classifications (listed in Tables 1 and 3, e.g., journey level classifications) and who are regularly headquartered in an eligible headquarters or location (listed on Table 5).
- B) When following pre-arranged overtime and emergency overtime procedures in Title 208, Title 212 and Title 308 of the Physical Agreement, those employees within new eligible classifications (listed in Tables 3 and 4) will be treated the same as their equivalent classifications (listed in Tables 1 & 2) for overtime scheduling/call-out purposes.
- C) For purposes of this agreement, the parties agree that California overtime rules do not apply consistent with California Labor Code Section 514. Accordingly, the overtime rules applicable to employees covered

by this letter agreement are the overtime rules outlined in this Letter Agreement and any applicable overtime rules under the Fair Labor Standards Act.

3. **Retention Incentive:**

- A) Effective April 1, 2022, current journey level incumbents (as of March 12, 2022) in an eligible headquarters or location (listed on Table 5) and in an eligible classification (listed on Table 1) will receive a \$2,000 per month Retention Incentive for each full month in such eligible classification/headquarters (payable on a quarterly basis).

These current journey level incumbents are not eligible to receive the Housing Subsidy described in Section 4 below.

- B) Effective April 1, 2022, any employee who is hired, assigned, placed or bids into an eligible headquarters or location (listed on Table 5) and in an eligible classification (listed on Tables 1 and 3) will be offered the choice of a:

- 1) \$2,000 per month Retention Incentive for each full month in such eligible classification/headquarters (payable on a quarterly basis). Once an employee elects the Retention Incentive, they become ineligible for the Housing Subsidy described in Section 4 below.

OR

- 2) Up to a thirty-six (36) month Housing Subsidy if they meet the terms and conditions described in Section 4 below

- C) The Retention Incentive will not be included in the "Basic Weekly Pay" for the purpose of calculating benefits under Part II (the Final Pay Pension) of the Pacific Gas and Electric Company Retirement Plan, Covered Compensation under Part III of the Pacific Gas and Electric Company Retirement Plan, and Covered Compensation under the Retirement Savings Plan for Union-Represented Employees.

- D) This Retention Incentive is considered taxable compensation. All taxable compensation under this Letter Agreement shall be subject to the withholding of all applicable federal and state income and employment taxes.

4. **Housing Subsidy:**

- A) Effective April 1, 2022, any employee who is hired, assigned, placed or bids from an area not excluded in subsection B below into an eligible headquarters or location (listed on Table 5) and remains in an eligible classification (listed on Tables 1 and 3) in that headquarters or location will be reimbursed for up to \$4,000 per month (payable on a monthly basis) for up to thirty-six (36) consecutive months for each full month living in the geographic locations described below.

In order to receive reimbursement, employees must provide acceptable documentation on a monthly basis that they live in the geographic locations described below. Acceptable documentation must be approved by the Company and is defined as a monthly mortgage statement, rental lease agreement or other documentation deemed acceptable to the Company. Documents provided that do not list the employee's name may require additional verification. Impound accounts, Homeowner Association (HOA) fees, property taxes, utility expenses, etc., are not eligible for reimbursement. If any issues arise regarding acceptable documentation that cannot be resolved locally, the Oversight Committee will be convened to resolve the issue.

Employees must reside within the geographic locations described below based on the headquarters where they are assigned:

- San Francisco Division
 - San Francisco or San Mateo Counties. Employees may not reside south of the City of San Mateo.

- Peninsula Division
 - San Francisco, San Mateo, or Santa Clara Counties. Employees must reside north of the City of San Jose
- De Anza Division
 - San Mateo or Santa Clara Counties or the Cities of Fremont, Newark, and Union City
- San Jose Division
 - Santa Clara County or the Cities of Fremont, Newark, and Union City

Eligible employees who choose to receive the Housing Subsidy cannot simultaneously receive the Retention Incentive described in Section 3 above. Upon conclusion of the thirty-six (36) consecutive months in the Housing Subsidy program, employees who remain in an eligible headquarters or location (listed on Table 5) and in an eligible classification (listed on Table 1 and 3) will transition to the Retention Incentive described in Section 3 above.

At any time, an employee who is currently participating in the Housing Subsidy program may choose to instead receive the Retention Incentive described in Section 3 above. Once an employee opts out of the Housing Subsidy program, they will no longer be eligible to participate in the Housing Subsidy program.

The Housing Subsidy may only be received one-time, up to thirty-six (36) months.

- B) Bidders from the following divisions/locations are excluded from participation in the Housing Subsidy program:
 - East Bay, Mission, Central Coast, North Bay, Diablo, and those GC yards located within these divisions
- C) The Housing Subsidy will not be included in the “Basic Weekly Pay” for the purpose of calculating benefits under Part II (the Final Pay Pension) of the Pacific Gas and Electric Company Retirement Plan, Covered Compensation under Part III of the Pacific Gas and Electric Company Retirement Plan, and Covered Compensation under the Retirement Savings Plan for Union-Represented Employees.
- D) The Housing Subsidy is considered taxable compensation. All taxable compensation under this Letter Agreement shall be subject to the withholding of all applicable federal and state income and employment taxes.

5. **Bid Lock:**

- A) All employees who are hired, assigned, placed or bid into one of the classifications listed in Tables 1 and 3 and report to headquarters listed in Table 5, on or after March 13, 2022, will be subject to a “bid lock” for three (3) years and may only bid to the classifications listed in Tables 1 and 3 within the headquarters listed on Table 5.
- B) All Apprentices who are hired, assigned, placed or bid into one of the classifications listed in Tables 2 or 4 and report to headquarters listed in Table 5, on or after March 13, 2022, will be subject to a “bid lock” for three (3) years after they progress to their respective journey classification and may only bid classifications listed in Tables 1 and 3 within the headquarters listed on Table 5.

6. **Eligible Headquarters:**

- A) The regular headquarters of eligible Title 200 classifications are listed on Table 5.
- B) A Title 300 regular headquarters is defined as follows:
 - The current location where the employee was hired, placed, or bid in accordance with Title 305.7, or 305.5(c); and,
 - Within the eligible locations in Table 5; and,

- The employee is not provided the expense allowances pursuant to Title 301.4(a), Zone 3.

A transfer under the provisions of 301.1(a) or (b) or placement under 305.5(a) from a current non-eligible Title 300 location to an eligible Title 300 location will require 120 days worked at a location included in Table 5 to be eligible for the hourly wage premium.

7. Comparable Classifications

- A) The new classifications listed on Tables 3 & 4 will be added to their respective Job Definitions Lines of Progression, as well as Exhibit VIII – Job Comparisons Table in the IBEW Physical Agreement in the future.
- B) The new classifications listed on Tables 3 & 4 will be considered the same as their equivalent classifications listed on Tables 1 & 2 for the following purposes:
 - 1. Overtime
 - 2. Job Bidding
 - 3. Vacation/Holiday/Floating Holiday Scheduling
 - 4. Hours
 - 5. Demotion

8. Mortgage Subsidy Program Reopener:

- A) The parties agree to continue exploration of a mortgage subsidy program throughout 2022.

9. Alternative Work Schedules:

- A) When staffing levels increase, the following alternative work schedules would be available for consideration:
 - 9x80 Schedule – See LA 93-97
 - 4x10 Schedule – See LA 93-96
 - 12-Hour Schedule – See LA 93-98
- B) All schedule changes must be discussed in advance with the local IBEW Business Representative, Labor Relations and Electric Operations leadership before implementation. However, the parties agree that each headquarters listed on Table 5 may have a variety of alternative work schedules. All alternative work schedules must be documented and agreed upon through a local letter agreement.
- C) The parties agree to continue discussions regarding additional alternative work schedule options, beyond those identified above, when staffing levels increase in the headquarters listed on Table 5.

10. Oversight Committee

- A) The Company and Union shall each appoint three members to be part of an Oversight Committee. The Oversight Committee will attempt to resolve any issues that may arise regarding this Letter of Agreement within forty-five (45) days. Issues that the Oversight Committee cannot resolve will be subject to the party's grievance procedure Subsection 102.3(a)(2) timelines will be waived for the forty-five (45) period.

Mr. Bob Dean

February 2, 2022
LA 22-06-PGE

This proposal has been discussed with Senior Assistant Business Manager Bob Gerstle.

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.

LOCAL UNION NO. 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO



By: _____
Bob Dean
Business Manager

_____ Feb 3, 2022 _____, 2022

Table 1

Eligible Classifications

IBEW T200/T300	SAP Code	Classification
IBEW T200	50010199	Cable Crew Foreman
IBEW T200	50010375	Cable Splicer
IBEW T200	50010091	Cableman
IBEW T200	50010227	Compliance Inspector
IBEW T200	50010228	Compliance Inspector - Underground
IBEW T200	51574842	Distribution Line Technician
IBEW T200	50010191	Electric Crew Foreman
IBEW T200	50010193	Electric Crew Foreman - Transmission
IBEW T200	50010244	Lineman
IBEW T200	50010241	Lineman - Transmission
IBEW T200	50315043	M&C Coordinator - Electric*
IBEW T200	52489846	M&C Coordinator – Electric Transmission*
IBEW T200	50010184	Night Cable Crew Foreman
IBEW T200	50010378	Night Cable Splicer
IBEW T200	50010431	Transmission Troubleman
IBEW T200	50010432	Troubleman
IBEW T200	50010380	Unassigned Cable Splicer
IBEW T200	50010246	Unassigned Lineman
IBEW T200	50010188	Underground Constr Crew Frmn - Electric
IBEW T200	50010234	Underground Constr Journeyman - Elec
IBEW T300	50010377	Cable Splicer - GC
IBEW T300	52748619	Lead Contractor Inspector – GC**
IBEW T300	50010247	Lineman - GC
IBEW T300	50010179	Subforeman A - Overhead
IBEW T300	50010178	Subforeman A - Underground

*Must be a journeyman to be eligible for the premium

**The specific terms applicable to this classification will be addressed in a separate MOU

Table 2

Eligible Classifications

IBEW T200/T300	SAP Code	Classification
IBEW T200	51754495	Apprentice Cable Splicer
IBEW T200	50449466	Apprentice Lineman
IBEW T200	50010260	Apprentice Lineman – Transmission
IBEW T300	51754496	Apprentice Cable Splicer - GC
IBEW T300	50449467	Apprentice Lineman - GC

Table 3

Eligible Classifications

IBEW T200/T300	SAP Code	Classification	2022 Wage Rate
IBEW T200	52854424	Cable Crew Leader – SF/PN/DA/SJ	00: \$78.35 12: \$80.84
IBEW T200	52854407	Cable Splicer – SF/PN/DA/SJ	\$75.65
IBEW T200	52854422	Underground Troubleshooter – SF/PN/DA/SJ	00: \$79.63 12: \$80.84
IBEW T200	52854411	Compliance Inspector – SF/PN/DA/SJ	\$82.58
IBEW T200	52854412	Compliance Inspector UG – SF/PN/DA/SJ	\$75.65
IBEW T200	52854414	Distribution Line Technician – SF/PN/DA/SJ	\$88.48
IBEW T200	52854417	Electric Crew Leader – SF/PN/DA/SJ	00: \$86.40 12: \$88.48
IBEW T200	52854421	Electric Crew Leader-Trnsmn – SF/PN/DA/SJ	00: \$90.81 12: \$92.95
IBEW T200	52854405	Line Worker – SF/PN/DA/SJ	\$82.58
IBEW T200	52854419	Line Worker – Transmission – SF/PN/DA/SJ	\$86.71
IBEW T200	52854508	M&C Coordinator - Electric* – SF/PN/DA/SJ	00: \$82.58 12: \$86.40
IBEW T200	52854509	M&C Coordinator – ElecTrnsm* – SF/PN/DA/SJ	00: \$86.71 12: \$90.71
IBEW T200	52854425	Night Cable Crew Leader – SF/PN/DA/SJ	00: \$81.74 12: \$83.19
IBEW T200	52854423	Night Cable Splicer – SF/PN/DA/SJ	00: \$76.81 06: \$78.35
IBEW T200	52854420	Transmission Troubleshooter – SF/PN/DA/SJ	\$88.41
IBEW T200	52854415	Troubleshooter – SF/PN/DA/SJ	\$84.19
IBEW T200	52854408	Unassigned Cable Splicer – SF/PN/DA/SJ	\$75.65
IBEW T200	52854416	Unassigned Line Worker – SF/PN/DA/SJ	\$82.58
IBEW T200	52854410	UG Constr Crew Leader – Elec – SF/PN/DA/SJ	00: \$86.40 12: \$88.48
IBEW T200	52854409	UG Constr Journey Wkr – Elec – SF/PN/DA/SJ	\$82.58
IBEW T300	52854506	Cable Splicer – GC – SF/PN/DA/SJ	\$79.41
IBEW T300	52854501	Lead Contractor Inspector-GC – SF/PN/DA/SJ**	00: \$92.95 18: \$97.58
IBEW T300	52854503	Line Worker – GC – SF/PN/DA/SJ	\$86.71
IBEW T300	52854504	GC Crew Leader A – Overhead – SF/PN/DA/SJ	00: \$90.81 06: \$92.95
IBEW T300	52854507	GC Crew Leader A – UG – SF/PN/DA/SJ	00: \$90.36 06: \$92.53

*Must be a journeyman to be eligible for the premium

**The specific terms applicable to this classification will be addressed in a separate LA

Table 4

Eligible Classifications

IBEW T200/T300	SAP Code	Classification	2022 Wage Rate
IBEW T200	52854406	Apprentice Cable Splicer – SF/PN/DA/SJ	00: \$46.49 06: \$47.50 12: \$50.51 18: \$51.84 24: \$53.31 30: \$60.04 36: \$62.02
IBEW T200	52854413	Apprentice Line Worker – SF/PN/DA/SJ	00: \$44.72 06: \$46.02 12: \$47.41 18: \$48.84 24: \$50.29 30: \$56.97 36: \$58.73 42: \$60.46
IBEW T200	52854418	Apprentice Line Worker – Trnsm – SF/PN/DA/SJ	00: \$46.94 06: \$48.21 12: \$49.89 18: \$51.33 24: \$53.03 30: \$59.85
IBEW T300	52854505	Apprentice Cable Splicer – GC – SF/PN/DA/SJ	00: \$48.80 06: \$49.86 12: \$53.01 18: \$54.41 24: \$55.96 30: \$63.07 36: \$65.13
IBEW T300	52854502	Apprentice Line Worker – GC – SF/PN/DA/SJ	00: \$46.94 06: \$48.33 12: \$49.79 18: \$51.28 24: \$52.82 30: \$59.86 36: \$61.61 42: \$63.48

Table 5

T-200 Eligible Headquarters:

Division	Headquarters (Service Yard)
De Anza	Cupertino Service Center
Peninsula	Colma Service Center
Peninsula	San Carlos Service Center
Peninsula	Martin SC in Daly City
Peninsula	Half Moon Bay
San Francisco	SF Service Center
San Jose	Cinnabar Service Center
San Jose	Edenvale Service Center
San Jose	Metcalf Substation

T300 Eligible locations:

De Anza - GC	N/A
Peninsula - GC	N/A
San Francisco - GC	Martin Service Center 731 Schwerin Street, Daly City
San Jose - GC	GC Yard 680 Dado Street, San Jose
San Jose - GC	GC Yard 336 W. Main, Morgan Hill

- Intent is to include any future GC Electric yards within SF, San Mateo and Santa Clara Counties
- Any addition to Table 5 will be discussed and agreed upon in writing by the Oversight Committee