

LETTER OF UNDERSTANDING

THIS AGREEMENT, made as of the 3rd day of October, 1977, between San Diego Gas & Electric Company, hereinafter called the "Company," and IBEW Local Union 465, hereinafter called the "Union,"

WITNESSETH:

WHEREAS, a dispute has arisen between the parties over the interpretation of the "Pollett" grievance arbitration award, and

WHEREAS, the Union argues that this Award does not apply to the case of member Luis Vicario being turned down for promotion, and

WHEREAS, the Company insists that it does apply, and

WHEREAS, this is an isolated case that both parties do not foresee happening again due to a recent change in the Standards of Apprenticeship pertaining to "deletion of age limit,"

NOW, THEREFORE, be it resolved that both parties hereby agree to the following:

(1) The Company agrees to recommend the indenture-ship of Mr. Vicario into the Apprentice Meter Tester classification on the date of October 11, 1977.

(2) The Union agrees that such action by the Company in no way sets a precedent that the "Pollett" Arbitration Award does not apply to the down-bidding when a "Thereafter" rate is involved.

(3) The parties further agree that a "promotion" as used in Section II.61 means a change from one classification to a classification having a higher top rate. In determining the "higher top rate," it is agreed that:

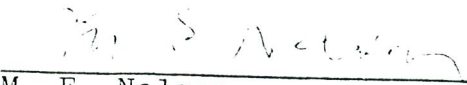
(a) Whenever a "Thereafter" rate is used in connection with an apprentice classification or any other classification, the pay level so designated as "Thereafter" is the maximum rate for the classification; and

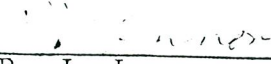
(b) The journeyman, craft, or higher level job above it in the job ladder constitutes a separate classification.

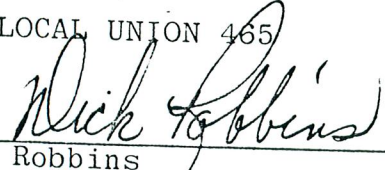
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respectively authorized officers or representatives as of the day and year first above written.

SAN DIEGO GAS & ELECTRIC COMPANY IBEW LOCAL UNION 465


J. J. Holley
Vice President - Personnel


M. E. Nelson
Administrator - Labor Relations


R. J. Lennon
Manager - Employment


R. C. Robbins
Business Manager


D. A. Moore
Assistant Business Manager


W. J. Bois
President