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Sent: 9/20/2010 3:03:15 PM
To: 'pac@cpuc.ca.gov' (pac@cpuc.ca.gov)
Cc:
Bcc:
Subject: Fw: Thoughts on San Bruno

From: A Message From Peter Darbee
To: All PG&E Mail Recipients; All PGE Corp Employees
Sent: Mon Sep 20 14:53:05 2010
Subject: Thoughts on San Bruno

For several years, we've had a running conversation about values at PG&E. We've talked about things like having the courage to do the right thing, showing accountability, being open and honest, taking care of our communities, and putting safety ahead of everything else. Ultimately, though, what counts is whether our actions truly reflect our ideals. And that's never been more true than in the effort to reach out and respond to the accident in San Bruno.

Few if any of us can comprehend the ordeal people there have experienced. What we know for certain is that even when the community recovers from the immediate shock of this horrible tragedy, the rebuilding will be measured in years.

Our commitment, as we have said, will be to stand alongside the community for as long as this process takes—treating people the way we would want to be treated if our roles were reversed, and putting our values into action.

Friday, a group of us went to the San Bruno area to visit and thank the team of more than 50 PG&Eers who are working directly with residents and continuing to support the recovery effort. What I saw there again was the living, breathing embodiment of the values we've talked so much about.

Most of you won't have the chance to go to San Bruno and see for yourselves the work your fellow team members are doing there. I wish you could. You would sense the magnitude of the tragedy and the loss. But you also would be reminded, many times over, of the best things about our people, and you would be proud of them.

To date, thanks to their efforts, we were able to ensure that the residents in the area have had the daily necessities such as temporary housing, clothing, food and so forth, beyond that provided by their insurers. We did this by providing residents with no-strings-attached payments to cover these emergency costs. We have also assigned dedicated PG&E representatives to personally assist each of the households in the affected neighborhood. And, as many of you already know, we have committed up to \$100 million, to be funded by our shareholders, to help with the rebuilding efforts.

You may not hear very much about these efforts in the papers or on the nightly news. But as some of our employees heard me say earlier when they expressed concern about the media reports, we aren't helping people in order to generate good publicity. We are doing it because it's the right thing to do. The only lens through which we should be viewing our efforts now is whether they are having a positive impact on the people who need our help.

In my conversations with people in the community, first on the Sunday right after the accident and again last Friday, it's been clear that the outreach by our men and women is making a real difference. In fact, many residents have been openly expressing their appreciation for the speed and scope of PG&E's response.

As you would expect, not everyone feels this way. We understand and respect that. Although we may not be able to change those feelings, what we can and will do is keep our promises to the community and continue asking what more we can do.

Another thing we can do is continue to be as open and transparent as possible about the facts. It's critical that our customers and communities have every assurance that PG&E is rigorously monitoring its pipelines and responsibly maintaining its system.

As you know, a number of questions have been asked about our practices. For example, some have said we received calls reporting the smell of gas in the area prior to the explosion. Yet, so far, an exhaustive review of more than 3 million calls has not turned up any calls connected with the accident. Elsewhere, others have alleged that we did not spend money that was authorized for work on the system. In fact, we actually spent \$30 million more on our gas transmission system over the past five years than we were authorized to spend.

We're committed to getting this and similar information out to the public. Today, we took another important step when we released one of the risk management tools we use to prioritize engineering resources and plan for future work on gas transmission pipelines. This information lists 100 pipeline segments, out of the 20,000 located throughout the company's service area, which the company has identified as the highest current priority for long-range monitoring and, in some instances, future repair or replacement.

As always, you play an essential part in helping the public understand the facts about our business. Thank you for your engagement and your efforts in this crucial role. We will continue to provide you with as much information as possible to help you. Our 20,000 men and women will always be our best and most important ambassadors.

In the meantime, as stated at the beginning of this note, nothing matters more than ensuring that our actions align with our values. You have my commitment, shared by every member of our leadership team, that we will continue to be guided by this compass.

