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**PG&E ANNOUNCES PIPELINE 2020 PROGRAM FOR ENHANCING
NATURAL GAS PIPELINE SAFETY AND RELIABILITY**

PG&E Aims to Advance Industry Best Practices

SAN FRANCISCO, CALIF. – Pacific Gas and Electric Company (PG&E) today announced Pipeline 2020, a program with five areas of focus to strengthen the utility’s natural gas transmission system through a combination of targeted investments, research and development, improved processes and procedures, and tighter coordination with public agencies. Going well beyond regulatory requirements, Pipeline 2020 will augment a series of safety and reliability initiatives that PG&E began or expanded in the wake of last month’s San Bruno tragedy.

“Pipeline 2020 will guide PG&E in fulfilling our pledge to customers and the public to ensure the safety and integrity of our gas transmission system,” said Chris Johns, President, Pacific Gas and Electric Company. “PG&E will collaborate with state and federal regulators, industry and scientific experts, and local agencies to enhance our ongoing efforts to adopt industry best practices, invest in system upgrades and, where possible, advance the state of the art of gas pipeline inspection procedures and technology. Pipeline 2020 represents a substantial and long-term commitment of people and resources to restore confidence and trust in PG&E’s gas transmission system.”

PG&E’s Pipeline 2020 program will focus the company’s efforts on five major areas:

- **Modernize Critical Pipeline Infrastructure** – PG&E will consult with regulators and engage industry experts on a multiyear modernization initiative to upgrade key gas transmission pipeline segments located in heavily populated and other critical areas. The company will work with an independent third-party expert to review and assess PG&E’s long-term roadmap, including criteria for prioritizing critical pipeline segments. Among the goals of the initiative will be to ensure that all upgraded lines can accommodate state-of-the-art inspections, including those using pigging technologies.
- **Expand the Use of Automatic or Remotely Operated Shut-Off Valves** – PG&E also proposes to consult with regulators and industry experts about expanding the use of

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automatic or remotely operated shut-off valves on segments of its gas transmission pipelines located in heavily populated areas. The valves will give PG&E operators the capability to shut off gas flows without having to dispatch crews. The company will also work with state and federal legislators to ensure industry-wide use of best available technologies and practices in this area.

- **Spur Development of Next-Generation Inspection Technologies** – To help catalyze technological advances that will improve pipeline safety nationally, PG&E will establish an independent, nonprofit entity dedicated to researching and developing next-generation pipeline inspection and diagnostic tools. At no cost to customers, PG&E will provide \$10 million to launch this organization, which will work with other industry partners, leading institutions and researchers with the expertise to make significant advances in this area.
- **Develop Industry-Leading Best Practices** – PG&E will closely review its practices related to pipeline integrity, safety and training – as well as practices used elsewhere in the industry – in order to develop industry-leading standards of excellence in this area. For example, the company will ensure that it is using state-of-the-art risk assessment techniques for prioritizing and planning work on its transmission pipelines.
- **Enhance Public Safety Partnerships** – Building on its already-extensive pipeline safety awareness and training programs, PG&E will work with local communities, public officials and first responders to forge model partnerships in support of pipeline safety. The company will provide detailed, customized information on pipeline locations and emergency response plans, as well as enhanced annual emergency response training. It will also step up outreach and education to reduce the incidence of third-party dig-ins on PG&E’s pipelines – the leading threat to pipeline safety and integrity.

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation (NYSE:PCG), is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with 20,000 employees, the company delivers some of the nation’s cleanest energy to 15 million people in Northern and Central California. For more information, visit <http://www.pge.com/about/newsroom/>.