



November 29, 2010

Michael Peevey, President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Winter Gas Conservation Plan for San Francisco and San Mateo Counties

Dear President Peevey:

Due to the tragic incident in San Bruno and PG&E's subsequent actions to reduce pressure on nearby transmission lines, PG&E is facing possible constraints on its gas transmission system serving San Francisco and San Mateo counties. With colder weather expected in the coming months, PG&E has a two-part plan to increase awareness of the need for gas conservation among those customers potentially affected by system constraints.

- First, PG&E will offer a \$25 pre-paid debit card to residential customers in San Francisco and San Mateo counties who reduce their gas usage in December below their average December usage for the past three years.
- Second, in January and February 2011, PG&E will enhance the level of marketing and outreach of its Winter Gas Savings Program to customers in San Francisco and San Mateo counties, while still marketing the Program to customers in the rest of PG&E's service territory.

Both the December gas conservation plan and additional Winter Gas Savings Program marketing and outreach in San Francisco and San Mateo counties will be entirely shareholder-funded.

PG&E is committed to ensure that all of its customers have their gas needs met this winter. These two shareholder-funded programs to increase public awareness of the importance of gas conservation in the Peninsula reflect PG&E's continuing commitment to the communities that we are so privileged to serve.

Sincerely,

Chris Johns
President, Pacific Gas and Electric Company

cc: ~~Paul Clanon, Executive Director, CPUC~~
~~Frank Lindh, General Counsel, CPUC~~