

From: Peevey, Michael R.
Sent: 2/28/2011 4:44:35 PM
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)
Cc:
Bcc:
Subject: RE: This Week's NTSB Hearings

Thanks. Getting together with you and Tom soon?

From: Cherry, Brian K
To: Peevey, Michael R.
Sent: Mon Feb 28 16:14:17 2011
Subject: FW: This Week's NTSB Hearings

Mike - FYI. Message to employees about tomorrow.

From: A Message from Chris Johns
Sent: Monday, February 28, 2011 2:50 PM
To: All PG&E
Mail Recipients; All PGE Corp Employees
Subject: This Week's NTSB Hearings

PG&E Team:

Tomorrow,

PG&E will join state and federal regulators and other industry members in Washington, D.C., at a fact-finding hearing called by the National Transportation Safety Board (NTSB). Over the course of three days, the NTSB will question several panels about the accident in San Bruno, PG&E's operations, public awareness issues, federal and state oversight, and the state of technology used by our industry today. As we've said before, PG&E is absolutely committed to cooperating with the NTSB's investigation to determine the root cause of the San Bruno accident so we can make pipelines safer and help prevent similar tragedies in the future.

We will, of course, reaffirm our commitment to the people of San Bruno and to the safety of our gas system. In the last five months, we have worked hard to learn as much as possible from the accident and apply those lessons to our operations. Just a partial list of our efforts includes the resurveying of our entire gas transmission system; lowering pressure on specific lines as an added safety measure; and our ongoing, exhaustive effort to collect and validate our gas pipeline records. You will hear of additional steps in the coming months. These efforts take time, but we're approaching them with great urgency.

Even taking all of that into account, the issues that have come to light since the accident are a clear indication that we have not been meeting our customers' expectations and we need to do better. The hearings are likely to generate media attention that may paint an unflattering picture of PG&E. Like you, I read many of the media reports, and the criticism stings. Rather than make excuses, however, we can and should use this as an opportunity to step back, look at our company through the eyes of our customers and take the necessary actions that set a standard against which—ultimately—we and our industry can be proud to be measured. This will take time, discipline and a willingness to ask ourselves hard questions.

As the hearings proceed, you can visit our new website, [Currents](#), for factual updates. Once the

hearings have concluded, I encourage you to check the site for the latest on what we're doing across our company and across our service area. Nothing is more important than our all-out effort to ensure the safety of our customers, communities and employees.

By now, it's clear that 2011 will be a demanding year. But PG&E employees have risen to meet many challenges before, and I am sure that we will again. Together we can show our customers and communities that PG&E is a great company with dedicated people who will work hard to earn back their trust and confidence.

Chris