

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 26, 2011

Brian Cherry
Vice President, Regulatory Relations
Pacific Gas & Electric Company
P.O. Box 770000
Mail Code B10C
San Francisco, CA 94177

Re: Funding of Mr. Darbee's pension

Dear Mr. Cherry:

This letter is in response to yesterday's announcement that PG&E Corporation's Board of Directors voted to fund Mr. Peter Darbee's retirement benefits in full out of shareholder funds and at no cost to ratepayers. To ensure this directive is carried out, I request the following:

1. PG&E Corporation should immediately credit \$9.6 million to the appropriate PG&E regulated utility (ratepayer) pension account(s).
2. The utility shall then provide to Energy Division an audited accounting of the credit transaction(s) by no later than May 15, 2011.

Finally, as you know, CPUC staff reserve the right to audit PG&E's pension accounting at any time in the future to ensure that this PG&E Corporate commitment is honored permanently.

I appreciate your cooperation in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Julie A. Fitch".

Julie A. Fitch
Director, Energy Division

Cc: Michael R. Peevey, CPUC President
Paul Clanon, CPUC Executive Director
Gurbux Kahlon, Manager, CPUC Energy Division