

June 28, 2011

Dear Valued Customer:

Pacific Gas and Electric Company (PG&E) is undertaking rigorous and ongoing inspections of our natural gas system. As you may know, in early June, PG&E performed an in-line camera assessment on a section of line 132 from Junipero Serra Boulevard to Hillside Boulevard in South San Francisco. The camera assessment was followed by two hydrostatic pressure tests that were successfully completed in mid-June on the section of Line 132 that runs from Crestwood Drive in San Bruno to Hillside Boulevard.

Our number one responsibility is operating a safe and reliable natural gas transmission pipeline system for our customers. After reviewing the footage from the in-line camera assessment, PG&E identified minor issues related to dents and girth welds. Based on this review, we have decided to take a very conservative approach and bring in outside industry experts to further assess the condition of the pipe before putting this section back into service.

We understand the inconvenience this work may cause and thank you for your patience and cooperation as we continue this work in your neighborhood. We will to do our best to minimize any further disruption to you.

For more information about our gas transmission operations you can call our representatives 24hours a day, seven days a week at **1-888-743-7431** or visit PG&E's Natural Gas Transmission System and Pipeline Safety webpage: <u>www.pge.com/gassystem</u>.

Sincerely,

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Executive Manager, Customer Care