External Communications Department 77 Beale Street San Francisco, CA 94105 415/973-5930 *NEWS* 11.26

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CONTACT: PG&E External Communications - (415) 973-5930

PG&E STATEMENT ON INDEPENDENT REVIEW PANEL REPORT

SAN FRANCISCO, Calif. – Pacific Gas and Electric Company (PG&E) today issued the following statement from Lee Cox, Interim Chairman and CEO, PG&E Corporation, regarding the California Public Utilities Commission's (CPUC) Independent Review Panel report on the San Bruno accident:

We are deeply sorry for the tragic accident in San Bruno. And we are committed to earning our customers' trust and confidence by continuing to do whatever is necessary to bring our performance up to industry-leading standards and see that an accident like the one in San Bruno never happens again.

We welcome today's thoughtful report by the Independent Review Panel, and we're grateful for their hard work. We will move quickly to review the report's detailed findings and take further action to improve the safety, quality and performance of our gas system.

We strongly agree with comments made today by members of the Independent Review Panel about the critical importance of PG&E and the California Public Utilities Commission working closely together to make our pipeline system a model of safety for the industry. It's clear, as we've openly acknowledged, that we need to make major improvements in our operations and culture in order to deliver the performance our customers rightly expect – and that we expect from ourselves.

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In fact, we're moving aggressively to turn our performance around. Although much more needs to be done, we've taken many actions to improve the safety of our gas operations, including:

- Reducing pressure on some lines to provide a greater margin of safety
- Conducting new pressure tests of key pipelines
- Creating a separate operating unit for our gas operations under the leadership of a newly hired gas operations expert who brings 30 years of experience in improving some of the nation's oldest gas systems
- Implementing more stringent pipeline operating standards
- Providing additional training to our gas operations employees
- Beginning a major new initiative to replace or upgrade many older gas lines, add automatic or remote shut-off valves, and help develop state-ofthe-art pipeline inspection technologies
- Working with companies known for their operations safety expertise to help us implement and advance industry best practices
- Improving our coordination and partnerships with local emergency responders and providing the public a new online tool to locate pipelines in their neighborhoods