

From: Sandoval, Catherine J.K.
Sent: 8/15/2011 3:18:07 PM
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)
Cc:
Bcc:
Subject: Re: MB Opinion - Is PG&E Going Retro & Getting Back to Its Roots?

Great steps

From: Cherry, Brian K [mailto:BKC7@pge.com]
Sent: Monday, August 15, 2011 01:15 PM
To: Sandoval, Catherine J.K.
Subject: FW: MB Opinion - Is PG&E Going Retro & Getting Back to Its Roots?

Thought you might find this perspective interesting.

From: News Flash
Sent: Saturday, August 06, 2011 11:03 AM
Subject: MB Opinion - Is PG&E Going Retro & Getting Back to Its Roots?

The Manteca Bulletin acknowledges PG&E President Christopher Johns' goodwill efforts in Fresno, Bakersfield and Eureka in meeting with customers and listening to their concerns. Managing Editor Dennis Wyatt comments that it is the right direction for PG&E to recognize Central Valley and its needs are not interchangeable with San Francisco.

Is PG&E Going Retro & Getting Back to Its Roots?

By Dennis Wyatt (Managing Editor)
Manteca Bulletin, August 6, 2011

Something once unthinkable happened last month.

The president of San Francisco-based PG&E made a goodwill tour of sorts to sit down with PG&E customers in the provinces to listen to their concerns.

Among the stops that included Fresno, Bakersfield, and Eureka was one locally that brought together famers within the South San Joaquin Irrigation District territory.

Needless to say, PG&E honcho Christopher Johns got an earful.

Johns may have picked the Manteca-Ripon-Escalon area in response to SSJID's bid to enter the retail power business to cut rate 15 percent below what PG&E charges. But Johns came to simply listen to customer concerns.

And if you think your PG&E bill or service issues are big, consider what farmers are up against. Not only are their electrical costs gargantuan but the reliability of PG&E service can often make or break their entire income for a year depending upon their crops.

Jeff Smith – who was put in a recently created post as external communications manager for corporate relations for the San Joaquin Valley – indicated Johns’ mission was simple. The PG&E president wanted face-to-face time with customers. Surveys, reports, and charts told him customers aren’t exactly happy campers.

It also didn’t help that the reign of ex-CEO Peter Darbee brought about the infamous Proposition 16 effort to amend the California constitution to essentially assure a monopoly for PG&E. Toss in the Rancho Cordova and San Bruno natural gas explosions that killed nine people and destroyed close to 40 homes and you end up with a corporation that is far from beloved and barely tolerated since they are the only game in town for millions of Central Valley residents.

Yes, PG&E does serve a large swath of Northern California and the Bay Area in addition to the Central Valley. But we’re not the Bay Area in terms of what drives the economy, how hot – and cold – it gets, and even in cultural and social issues.

The elimination of the top tier that essentially penalized valley residents who had to survive in 100-degree plus summer days by using air conditioning is one example of PG&E finally getting it.

PG&E of late has discovered the power of mea culpa. It doesn’t absolve you of any sins and you still need to act responsibly. But it does help pull PG&E back from a ledge they put themselves on where it seemed to a large number of customers that they are held hostage to the whims of PG&E corporate management. That management, as of late, has placed way too much emphasis on profit and not enough on providing the best possible service they can without squeezing rank-and-file employees or customers.

PG&E isn’t likely to return to the days when every community they served had a local manager who was the ear of the company. It was back when many people knew PG&E by the local manager such as Tony Gutierrez in Manteca. You saw him at community functions. He worked on local economic development issues. Customers – whether they were senior citizens on fixed incomes, businessmen, farmers, or families – could stop managers like Tony in the street, at community events, or at the store - and share their concerns. Gutierrez, like PG&E managers in other towns, served as a troubleshooter for both the customers and the company.

Since then customer relationships with PG&E – just like many corporations – have turned clinical. They are often handled through some remote call center

Perhaps it is impossible that such a high degree of human face can ever again grace PG&E management. There are tons of customers. It costs money for personnel.

PG&E, though has to understand they are part of people’s lives. And those people – rightfully so – feel they have no other choice but to deal with PG&E. Unlike buying other goods, you simply can’t go to another store. They also have to understand they are not a corporation cut from the same cloth as IBM. They are a quasi-public agency that has the benefit of what is

essentially a state-imposed monopoly. And due to that, they have obligations that go way beyond the bottom line.

It is a step in the right direction for PG&E to acknowledge that the Central Valley and its needs aren't interchangeable with San Francisco.

The challenge now for PG&E is to go beyond refreshing admissions that they have erred in some cases. They must build back up the trust that their customers once had in the company that delivers electricity and natural gas to their homes and businesses.