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Cc:
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Subject: Fw: SFC (editorial) - New Chief at PG&E's Helm

Not sure if you saw this.

From: News Flash
Sent: Thursday, August 11, 2011 07:34 PM
Subject: SFC (editorial) - New Chief at PG&E's Helm

In this *San Francisco Chronicle* editorial, the appointment of Anthony Earley as PG&E's new CEO is viewed as a positive step in restoring public confidence in the company. The executive director of the PUC says his agency is committed to a new culture of safety and reliable utility service.

Editorial: New Chief at PG&E's Helm

San Francisco Chronicle, August 11, 2011

PG&E Corp. has taken the first step in restoring public confidence in the corporation's commitment to safety, fairness and honesty by naming Anthony Earley as its new chief executive. At the same time, the state regulators are committing to a new culture that focuses on safe and reliable utility service.

May it be so.

The San Bruno gas pipeline explosion devastated the public's confidence in the utility, the state regulators and, in a larger sense, in government's ability to protect consumers. The public is demanding and deserves big cultural and operational changes from both. Now.

Earley seems to come with the right portfolio of needed skills and background. He has training in engineering and law. He has run a utility. He has received high marks from industry executives and regulators for his crisis-management skills.

His predecessor, a non-engineer with a background in finance and a mission to transform an old-school PG&E into a modern industry player, had focused on new energy sources and state-of-the-art delivery. Perceptions of his vision soured when PG&E tried to use a ballot initiative to thwart local competition and the wireless SmartMeter rollout stumbled badly. The Sept. 9, 2010, pipeline explosion, which killed eight people, devastated homes and lives. It also revealed the company had largely swept aside its culture of safety over the years in pursuit of its goals.

As a result of a consumer suit, regulators now must track if safety and reliability improvements

promised in exchange for higher rates are actually made - or the money goes back to the ratepayers.

Paul Clanon, the state Public Utilities Commission executive director, says his agency is stepping up its game, too. The PUC is moving to a stance of "trust but verify," and doubling the number of inspectors, he said. "If it can't be tested, then it needs to be replaced," he said, referring to the grandfathered pipelines that proved explosive.

The PUC is moving away from the courtroom-based, legalistic process, and seeking permission to write tickets and levy bigger fines. "That means, when we find the violation today, we fine today, and we publicize it today," Clanon said.

The public will have the opportunity to comment on that proposal in about six weeks. Don't hold back. We all need to take every opportunity to hold our public companies and our public agencies accountable - to us.