

Gas Turnaround Plan

Top 10 Priorities

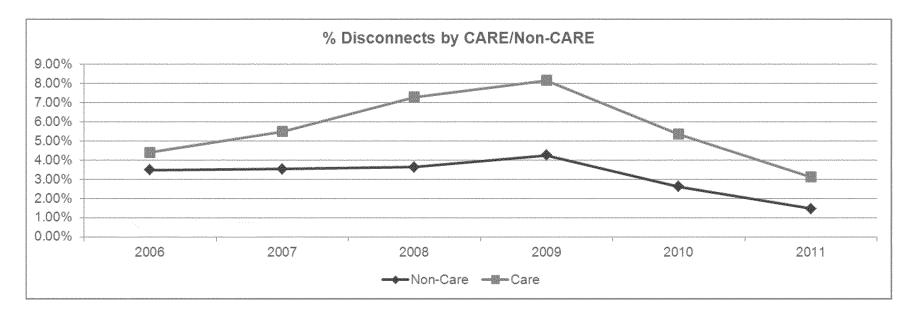
- Build a culture that puts public and personal safety first
- Establish a clear organizational structure
- Engage workforce and recruit talent
- Rebuild integrity management process
- Develop accurate asset knowledge
- Achieve full regulatory compliance (rebuild trust)
- Create and implement consistent standards, work methods and procedures
- Establish an investment planning function
- Improve gas transmission system control and build distribution control system
- 1. Revamp Quality Assurance/Quality Control capability

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Credit and Collections Activity

PG&E recognizes that its customers have been impacted by the economic downturn. As such, it has implemented several customer-centric policies and procedures to increase enrollment in the CARE Program by 36% over the past 2 years.

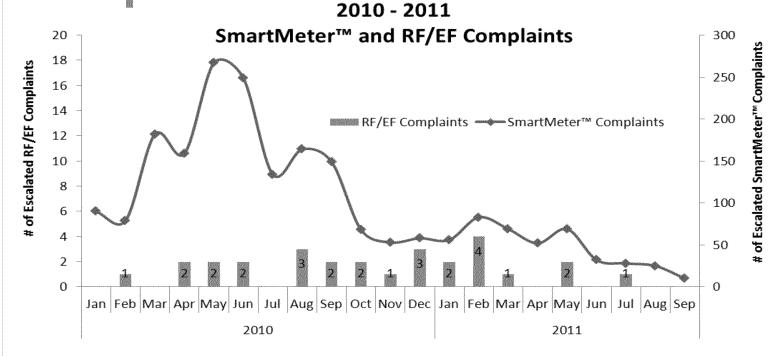
- Average number of residential customers with active payment arrangements from the end of 2009 to current has increased by 63%; 163,000 active pay plans July 2011
- 89% of payment arrangements have been approved YTD 2011



*2011 Year to date through July



2010 - 2011 SmartMeter™ and Radio Frequency/Electromagnetic Complaints



- 2,076 SmartMeter™ complaints were received
- 28 were radio frequency or electromagnetic related

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