From: Peevey, Michael R.

Sent: 12/13/2011 3:40:54 PM

To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)

Cc:

Bcc:

Subject: Re: Pacific Gas and Electric Company News Release: PG&E STATES IT IS

LIABLE FOR THE SAN BRUNO PIPELINE ACCIDENT

Very good. Tom told me about at the lunch today.

From: Cherry, Brian K [mailto:BKC7@pge.com] **Sent:** Tuesday, December 13, 2011 3:10 PM

To: Peevey, Michael R.

Subject: FW: Pacific Gas and Electric Company News Release: PG&E STATES IT IS LIABLE FOR THE

SAN BRUNO PIPELINE ACCIDENT

Mike - FYI. Thought you'd appreciate this.

From: Corporate Relations Mailbox

Sent: Tuesday, December 13, 2011 2:26 PM

To: News Release Distribution

Subject: Pacific Gas and Electric Company News Release: PG&E STATES IT IS LIABLE FOR THE

SAN BRUNO PIPELINE ACCIDENT

Pacific Gas and Electric Company issued the following release entitled:

PG&E STATES IT IS LIABLE FOR THE SAN BRUNO PIPELINE ACCIDENT

Utility takes on financial responsibility to compensate victims

SAN FRANCISCO, Calif. – Pacific Gas and Electric Company (PG&E) today stated that it is liable for the fatal natural gas pipeline accident in San Bruno in September 2010.

This means that PG&E is taking on financial responsibility to compensate all of the victims for the injuries they suffered as a result of the accident. PG&E has made this statement in response to a San Mateo County Superior Court judge's request for PG&E's official position and comes ahead of a court hearing Friday to discuss various issues regarding the case.

"PG&E is hopeful that today's announcement will allow the families affected by this terrible tragedy to receive compensation sooner, without unnecessary legal proceedings," said PG&E President Chris Johns. "We are affirming our commitment to do the right thing in our response to this accident."

Over the past 14 months, PG&E has been working with those impacted by the accident to resolve all claims fairly and promptly. The company remains committed to helping the city of San Bruno and the victims of the accident and their families recover and rebuild.

Today's announcement also makes clear that none of the plaintiffs, San Bruno residents or the city itself is at fault. "We would never consider holding the residents accountable for this accident," Johns added. "Since the accident, PG&E has stood by the community of San Bruno, and we will bear the cost to make things right for the city and its people."

Pacific Gas and Electric Company, a subsidiary of <u>PG&E Corporation</u> (NYSE:PCG), is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with 20,000 employees, the company delivers some of the nation's cleanest energy to 15 million people in Northern and Central California. For more information, visit http://www.pge.com/about/newsroom/.