

From: Bottorff, Thomas E  
Sent: 12/22/2011 2:57:18 PM  
To: 'Peevey, Michael R.' (michael.peevey@cpuc.ca.gov)  
Cc: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)  
Bcc:  
Subject: RE: Opt out

Mike,  
I'm really sorry it happened this way. It's my fault for not sharing what we knew in a timely manner.

When Brian and I spoke with you on Friday morning, we did not know that a plan was in the works to change our position and announce it publicly.

Late Friday afternoon, I learned that Senator Joe Simitian had chastised Helen Burt for shutting off customers who had hired an electrician to remove their smart meters. Simitian reportedly said that we were being too heavy-handed and that we needed to restore service. Simitian's call followed another call received earlier in the week from Assemblyman Bill Monning, who insisted that we not shut off any more customers.

In response, we restored power to most customers using a digital meter, but in some cases restored power without installing a meter at all. For customers demanding an analog meter, we had planned to wait until the CPUC issued a decision on the opt-out program before deciding which meter to install.

But pressure from the press mounted and more customers threatened to have their meters removed. So, we relented internally, and decided over the weekend to file comments on the opt-out PD (which were due on Monday) that said we were willing to offer the analog meter as an option.

That decision apparently prompted our PR team to issue a press release.

I received a draft of the press release late Monday morning, but was preoccupied with other matters and didn't think to alert you and others, who should have been told.

So, I blew it, and I apologize. It won't happen again. If there's something we can do to help the CPUC, please let me or Brian know.  
Tom

**From:** Peevey, Michael R. [mailto:michael.peevey@cpuc.ca.gov]  
**Sent:** Thursday, December 22, 2011 1:40 PM  
**To:** Bottorff, Thomas E  
**Cc:** Cherry, Brian K  
**Subject:** Opt out

I feel sandbagged. On Friday I told you and Brian I was going to amend the PD to allow your customers to have/keep analog meters, if they wished. On Monday your CEO puts out a press release saying the company will allow analog meters, the company wants to work with its customers, etc. Very nice, but took whatever thunder the PUC might have received by announcing same in a revised PD. No

advance word to me, no communication, etc. Positions the company well and the PUC bringing up the rear. Poorly handed. Was this Greg P's doing, or.....? We need mutual trust and candor, not cute maneuvers like this.