Anthony F. Earley, Jr. Chairman of the Board, Chief Executive Officer, and President One Market Plaza Spear Tower, Suite 2400 San Francisco, CA 94105

Tel: 415.267.7118 Fax: 415.267.7252

December 22, 2011

Mr. Jed York President and Chief Executive Officer San Francisco 49ers 490 Jamestown Avenue, Room 400 San Francisco, CA 94124

Dear Jed:

As your San Francisco 49ers hosted the Pittsburgh Steelers on Monday Night Football this week, 49ers fans here and across the nation looked forward to a game played under the lights at Candlestick Park. No one expected that those lights would go out or that they would briefly take center stage on Monday.

I can assure you that Pacific Gas and Electric Company understands the serious nature of the power outages that occurred this Monday. We realize that it affected not only Candlestick Park itself and the thousands of fans in attendance—many of whom are also PG&E customers—but also the millions of viewers watching the game across the country, the 49ers' standing in the community, and the image of the National Football League.

I want to personally reaffirm PG&E's commitment to ensuring that an outage of this nature doesn't happen again.

I can say that because we now know that the initial outage, which occurred prior to kickoff on Monday, involved PG&E equipment outside of Candlestick Park. The outage was caused when a splice, which connects two overhead electrical wires, failed and the wire fell to the ground near the stadium. As you know, our team staffing the game that night and stationed at the stadium worked quickly and safely to make repairs. The stadium's backup electrical feed worked correctly and switched on immediately, but the metal halide stadium lights took several minutes to cycle back on.

Based on our investigation, PG&E will be taking a number of proactive steps to improve the integrity of our electric systems serving the park and prepare it for what we hope are the multiple home playoff games that your team will host. Actions we have initiated include: the comprehensive inspection of all PG&E assets serving Candlestick Park, targeted upgrades and maintenance to the facilities serving the stadium, the installation of fault indicators that will provide us

PG&E Corporation.

Mr. Jed York December 22, 2011 Page 2

with real-time data on the electric lines connected to the facility and joining with Candlestick Park electricians to perform periodic tests of critical equipment serving the stadium.

The results of our investigation and the complete catalog of our proactive measures are attached to this letter. We are completely confident that these measures will keep PG&E's equipment at the stadium operating safely and reliably as the 49ers advance to the playoffs. The City and County of San Francisco is providing a separate letter today with the details of the second outage.

As I have reiterated in my conversations with the Mayor over the past three days, PG&E will continue to partner with the City and County of San Francisco to improve electric reliability throughout the City and at Candlestick Park as the 49ers prepare to host what we hope will be multiple playoff games.

PG&E has proudly served the 49ers for more than 60 years, as your team became a San Francisco institution and NFL dynasty. We look forward to serving you in the future, and we wish you nothing but success as you work toward bringing the Lombardi Trophy back to San Francisco.

Sincerely.

cc: Mr. John York

Attachment

- On December 19 at 5:19 pm, PG&E experienced an outage impacting 783 customers including Candlestick Park on a 12kV power line called H-1111. This power line is one of two that serve Candlestick Park.
- Power to Candlestick Park was immediately restored when the stadium's auto transfer switch or "ATS" switched over to the alternate PG&E power line called H-1103. PG&E's H-1103 circuit provides a back-up source of power for the stadium.
- PG&E's H-1111 circuit was re-energized a few seconds later, restoring power to the other 782 customers.
- PG&E crews who were standing by at the stadium before the game, immediately began to patrol circuit H-1111 and found one span of wire down at the end of Ingerson and Bill Walsh Drive in close proximity to the stadium.
- The wire fell down at a point where a splice failed. The splice was a sleeve that connected two ends of overhead wire.
- PG&E crews repaired the span of wire and replaced six other similar sleeves in the area as a precautionary measure.
- At approximately 1:00 a.m. on December 20, PG&E crews completed their patrols and repairs and re-energized circuit H-1111 to the stadium switch.
- While the stadium was on the H-1103 alternate circuit during the game, PG&E had no other interruptions in service.

Moving forward PG&E is taking the following active measures to improve reliability on both the H-1111 and H-1103 circuits:

- PG&E is performing inspections with infrared technology on both the H-1111 and H-1103 circuits. Infrared technology is designed to identify potential issues on power lines before they cause power outages. Any issues we discover during this inspection will be addressed by mid-day Friday, December 23.
- PG&E is performing a failure analysis at its lab in San Ramon to determine the root cause of the sleeve failure.
- PG&E is continuing to evaluate other reliability improvements that will reinforce the circuits prior to the NFL playoff game.
- PG&E is prepared to perform a joint test in conjunction with the City and County of San Francisco to ensure the field lightning remains on during the stadium's auto transfer switch "ATS" operation.