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March 12, 2012

CONTACT:

City of San Bruno:

Connie Jackson, City Manager: (650) 616-7056 or Sam Singer: (415) 227-9700

PG&E External Communications - (415) 973-5930

CITY OF SAN BRUNO AND PG&E REACH AGREEMENT ON \$70 MILLION RESTITUTION FOR SAN BRUNO COMMUNITY TO SUPPORT RECOVERY FROM PIPELINE ACCIDENT

SAN BRUNO, Calif.—The City of San Bruno and Pacific Gas and Electric Company (PG&E) today announced an agreement for PG&E to pay San Bruno \$70 million in restitution to support the City and community's efforts to recover after the Sept. 9, 2010 PG&E pipeline tragedy.

"I am pleased to announce that San Bruno has reached a settlement with PG&E for restitution for the community of San Bruno," said Mayor Jim Ruane. "This money will be used for the benefit of all the citizens of our city and to help us, as a community, get beyond the tragedy and devastation caused by PG&E's explosion and fire."

"The community of San Bruno has suffered through a terrible tragedy and we understand that this accident will affect this community forever," said PG&E President Chris Johns. "We committed the night of the tragedy and continue to commit that we will help the victims and the community heal and rebuild. Today's announcement is another step in that process. It is one that we hope will provide the community with the assurance that the resources will be there to rebuild the infrastructure that was damaged and provide for improvements where the community sees fit. We will continue to work with the victims and the community as a whole to address their needs. All 20,000 PG&E employees are working hard to make sure we have the safest gas and electric system in the United States."

The agreement calls for a \$70 million payment to be made by PG&E within 30 days. With this money, the city will establish a separate not-for-profit public purpose entity to manage

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the funds and determine how the restitution should be spent for the benefit of the community as a whole. This \$70 million payment is in addition to PG&E's commitment to fund replacement and repair of the city's infrastructure and other costs related to the accident and restoration of the neighborhood. The utility will not seek to recover the contribution through insurance or customer rates.

“As a community and as a city we remain fully dedicated to assuring our community's full recovery,” said Mayor Ruane. “We will continue to advocate for the highest standards of pipeline safety, not only for our City, but throughout the nation. The lasting legacy of Sept. 9, 2010 is San Bruno's dedication to ensure this type of disaster is never allowed to happen again. PG&E and all utilities must uphold the highest safety standards for the safety of all,” Ruane said.