

**PACIFIC GAS AND ELECTRIC COMPANY  
San Bruno Explosion and Fire Oil  
Investigation 12-01-007  
Data Response**

PG&E Data Request No.:	CPSD_002-01		
PG&E File Name:	SanBrunoExplosion-FireOil_DR_CPSD_002-Q01		
Request Date:	March 12, 2012	Requester DR No.:	002
Date Sent:	March 30, 2012	Requesting Party:	Consumer Protection and Safety Division
PG&E Witness:		Requester:	Gina Adams

**QUESTION 1**

DR CPUC\_198-Q11 asked about the Long-Term Incentive Plan:

- a. Provide the names and titles of the members of the Compensation Committee;
- b. Provide all nomination documents submitted by supervisors for each of the recipients of the awards identified in: DR\_CPUC\_198-Q11Atch07, page 2; DR\_CPUC\_198-Q11Atch08, page 4; DR\_CPUC\_198-Q11Atch09, page 2; and, DR\_CPUC\_198-Q11Atch10, page 7. Documents shall include the supervisors' nomination forms and performance evaluations, including but not limited to, performance criteria, performance goals, the employee's actual performance, and whether that employee met those goals. Documents shall also include any other criteria used to determine whether the candidate will be awarded the Long-Term Incentive Plan shares; and,
- c. Identify the "Rounded Payout" or settlement percentage figure that was used to calculate the value of the Performance Shares for each year of each year, 2006 through 2010.

**ANSWER 1**

- a. The Compensation Committee of the PG&E Corporation Board of Directors is comprised of the following individuals, each of whom is an independent non-executive member of the PG&E Corporation Board of Directors:

C. Lee Cox  
Forrest E. Miller

Barbara L. Rambo  
Barry Lawson Williams

c.

For each of these years, the number of Performance Shares granted to an individual during the annual equity grant process was calculated by taking the dollar value of LTIP awards allocated to that individual (for Performance Shares and either restricted stock units/restricted stock, depending on the year) and (1) multiplying by the percentage allocated to Performance Shares (generally 50 percent, except that the Chairman, CEO and President's total LTIP award in 2009 and 2010 was 60 percent Performance Shares and 40 percent restricted stock units) and (2) dividing by the average closing price of PG&E Corporation common stock during a period of time that was pre-determined by the Committee. The resulting number was rounded down to the nearest five, to determine the actual number of Performance Shares granted.

The following table provides the per-share price used to determine the number of Performance Shares granted during each of the years noted above.

<b>Year [A]</b>	<b>Grant Date [B]</b>	<b>Applicable Per-share Price of PG&amp;E Corporation Common Stock [C]</b>	<b>Basis for the Per-Share Price in Column [C] [D]</b>
2006	First business day of January 2006	\$35.929/share	Average daily trading price of PG&E Corporation common stock during November 2005.
2007	First business day of January 2007	\$44.618 /share	Average daily trading price of PG&E Corporation common stock during November 2006.
2008	First business day of March 2008	\$39.014 /share	Average daily trading price of PG&E Corporation common stock over the last five trading days of February 2008.
2009	March 9, 2009	\$37.376 /share	Average daily trading prices of PG&E Corporation common stock over the first five trading days of March 2009.
2010	March 10, 2010	\$42.69 /share	Average daily trading price of PG&E Corporation common stock over five trading days of

			March 4-10, 2010.
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“Rounded Payout” reflects the performance of PG&E Corporation common stock at the end of the performance period, as compared to other comparable companies. Rounded Payout increases or decreases with performance, and is used to determine how many Performance Shares are paid at the end of the three-year performance period. Rounded Payout is not used to determine the number of Performance Shares that are initially granted to an individual.