

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-Q01b		
Request Date:	March 12, 2012	Requester DR No.:	002
Date Sent:	April 5, 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:

- b. Provide all nomination documents submitted by supervisors for each of the recipients of the awards identified in: DR_CPUC_198-Q11Atch09 page 2; DR_CPUC_198-Q11Atch08 page 4; DR_C PUC_198-Q11Atch09 page 2; and, DR_CPUC_198-Q11Atch12 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;

Based on clarifying discussions with Brian Smith and Shilpa Ramaiya of PG&E and Gina Adams of the CPUC staff on March 15, this request has been revised as follows: PG&E will provide documents relating to annual equity awards granted in 2006 under the PG&E Corporation 2006 Long-Term Incentive Plan (LTIP) to the following individuals who are listed in GT-Matter_DR_CPUC_198-Q11Atch07: (1) Chairman, Chief Executive Officer (CEO), and President (2) Core Gas Supply, Director (Core Gas Supply 02), and (3) Superintendent, Gas Maint (M&C Gas Transmission).

ANSWER 1B

Please note that certain attachments to this response contain sensitive personal information pertaining to current and former PG&E employees. For this reason, PG&E is providing this response pursuant to Public Utilities Code Section 583. The dissemination of employee information contained in this response raises privacy concerns. Therefore, PG&E believes that such information should remain

confidential and not be subject to public disclosure. Specific redactions and 583 designations are identified below.

As noted in prior data responses, whether an employee receives an LTIP award is discretionary, and is determined by his or her supervisor based on the employee's individual performance. LTIP awards generally must remain within guidelines approved by the Compensation Committee, and LTIP awards granted to the CEO also must be approved by the independent members of the full Board of Directors of PG&E Corporation.

When considering 2006 LTIP awards to the Chairman, CEO, and President, the independent members of PG&E Corporation's Board of Directors considered, among other things, recommendations from the PG&E Corporation Nominating, Compensation, and Governance Committee (the predecessor to the current Compensation Committee); a review of recommendations provided by the Committee's independent compensation consultant, Hewitt Associates; and a review of the Chairman, CEO, and President's self-evaluation. The following responsive documents are attached:

- SanBrunoExplosion-FireOII_DR_CPSD_002-Q01Atch01: Letter from the Chief Executive Officer and President to the PG&E Corporation Board of Directors' Nominating, Compensation, and Governance Committee (Committee), dated February 9, 2005.
- SanBrunoExplosion-FireOII_DR_CPSD_002-Q01Atch02 Recommended framework for 2006 officer compensation program, presented to the Committee, dated October 19, 2005. Redacted to exclude information related to other officers not responsive to this request.

SanBrunoExplosion-FireOII_DR_CPSD_002-Q01Atch03-CONFIDENTIAL self-evaluation letter from Chief Executive Officer and President to the Committee, dated December 14, 2005. Submitted under Section 583 to protect employee privacy.

SanBrunoExplosion-FireOII_DR_CPSD_002-Q01Atch04 Proposed 2006 compensation for Chief Executive Officer and President, presented to the Committee on December 21, 2005.

SanBrunoExplosion-FireOII_DR_CPSD_002-Q01Atch05 Excerpt from minutes of December 21, 2005 meeting for the Committee. Redacted to exclude information related to other matters not responsive to this request.

SanBrunoExplosion-FireOII_DR_CPSD_002-Q01Atch06Excerpt from minutes of December 21, 2005 meeting for the PG&E Corporation Board of Directors. Redacted to exclude information related to other matters not responsive to this request.

For the Director, Core Gas Supply and the Supervisor, Gas Maint, attached are copies of performance evaluation documents relating to 2005 performance. Redacted the names of employees and submitted the evaluation forms under Section 583 to protect employee privacy.

SanBrunoExplosion-FireOII_DR_CPSD_002-Q01Atch07-CONF: 2005 Year End Employee Assessment Form for Supervisor, Gas Maint.

SanBrunoExplosion-FireOII_DR_CPSD_002-Q01Atch08-CONF: Performance Management Process (PMP) Form for the performance period of 10/1/2004 – 5/15/2005 for Director, Core Gas Supply. The PMP form for the second half of the year has not been located.