

From: Zafar, Marzia
Sent: 5/1/2012 10:59:25 AM
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)
Cc:
Bcc:
Subject: Re: Nine Million and Counting

By the way, we met with Edison yesterday to talk about future policy. We met with Les and his team. They had some good ideas, but not concrete solutions. w/o me bringing up anything they want us to work on modifying the rate case plan and rate reform. Anyway, you sent me your email which is good with me. Just wanted to let you know.

-----Original Message-----

From: Cherry, Brian K [<mailto:BKC7@pge.com>]
Sent: Tuesday, May 01, 2012 10:15 AM
To: Zafar, Marzia
Subject: Fwd: Nine Million and Counting

Begin forwarded message:

From: A Message from Helen Burt and Al Torres
<MsgHelenAndAl@pge.com<<mailto:MsgHelenAndAl@pge.com>>>
Date: May 1, 2012 9:47:54 AM PDT
To: All PG&E Mail Recipients
<ALLPG&E@exchange.pge.com<<mailto:ALLPG&E@exchange.pge.com>>>, All PGE Corp Employees
<AllPGECorpEmployees@exchange.pge.com<<mailto:AllPGECorpEmployees@exchange.pge.com>>>
Subject: Nine Million and Counting

Team:

In April, we crossed an exciting new threshold, having upgraded our 9 millionth SmartMeter(tm). That's a huge accomplishment-and we're not done yet.

We're currently 93 percent complete, with the last of our roughly 9.7 million installations-including tough access issues such as reaching customers in remote areas-to occur in 2013.

The difference a year makes

When we announced our achievement of 8 million SmartMeters(tm) last

June, we still faced the challenge of San Francisco installations. SmartMeter(tm) was still a special project rather than a part of regular operations in Customer Care. And we hadn't yet secured CPUC approval to offer an opt-out program to customers struggling with the idea of mandatory installation.

With thoughtful planning and coordination and a robust customer outreach and education campaign by the SmartMeter(tm) team, the San Francisco upgrade went extremely well. The incorporation of SmartMeter(tm) functions into the Customer Operations organization was efficient and seamless. And the SmartMeter(tm) Opt-Out Program, which launched in February, is running smoothly.

Providing customer choice

Some of you may wonder if our plans have substantially changed with the advent of opt-out. After receiving CPUC-approval on Feb. 1, we began changing out SmartMeters(tm) on Feb. 2, and have been working aggressively ever since to meet the requests of those customers who choose not to have a SmartMeter(tm). Here is a snapshot of the Opt-Out Program as of last week:

- * We received roughly 19,500 opt-out requests from our residential customers.
- * Of those, 11,500 will be keeping their existing analog meters.
- * And roughly 8,000 customers who had already received a SmartMeter(tm) will have that meter removed. So far we've replaced about 88 percent of these customers' SmartMeters(tm) with analog meters, and we're moving quickly to exchange the rest in the days ahead.
- * 6,300 of the customers who originally asked to join our Delay List now have requested SmartMeter(tm) upgrades at their homes. And opt-out means just that: it's an option. After today, May 1, any residential customer has the choice to opt out at any time and for any reason.

We're in a great place now with SmartMeter(tm), and it's been a long road and a lot of hard work by the SmartMeter(tm) team and others across the business to get there. Just about every function has touched this program at one time or another. So thank you for your work-and thank you to everyone who has taken the time to learn about the benefits of the technology in order to better educate your friends and family.

We continue to be excited by what's in store for customers and our state as we modernize California's energy grid.

Thank you for all you do to serve our customers.

Helen Burt
Senior Vice President and

Chief Customer Officer

Al Torres

Vice President

Customer Operations