

PG&E Bill Redesign project

Research results for Residential and Large font bill formats tested with low-vision customers

CONFIDENTIAL

December 5, 2006

SUBMITTED TO:

Redacted

SUBMITTED BY:

Redacted

VP Design Services

Redacted



YOUR ONE-STOP DOCUMENT DESIGN,
DEVELOPMENT AND DELIVERY SOURCE
GRC2011-Ph-III_DR_TURN_001-Q01Atch06

SB_GT&S_0305509

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1. Background

PG&E asked Prinova to test the new residential gas and electricity bill format with its low-vision customers in an effort to ensure the redesigned bill would meet the needs of all its customers. PG&E also wants to be seen as an industry-leader and so asked Prinova to also create a large font format of the same residential bill and test the usefulness of that format with low-vision customers.

Eight one-on-one interviews were conducted at the Lighthouse for the Blind and Visually Impaired facility in San Francisco on Friday, December 1st, 2006. This report summarizes the results of that testing and our recommended changes. Although it was not a quantitative study, the findings were similar enough across customers interviewed that we do not feel the bill formats will need to undergo further customer review before the redesigned bill is implemented.

2. Objectives

The specific objectives of the research were to help PG&E identify and understand low-vision customers'

- ability to find the amount they owe and when it is due,
- preferences on the use of charts and graphs,
- usefulness of information throughout the bill, and their
- preference for a large font bill format.

3. Methodology

- Prinova conducted eight interviews with residential customers, all of whom were extremely low-vision and required an assistive reading device, such as a magnifier or a CRT.
- The interviews were facilitated by Tamara Sargeant, VP of Design Services at Prinova and transcribed by Shannon Hadfield, Prinova's Project Manager assigned to this redesign project.
- The participants were recruited by Alice Wong, a Research Consultant contracted by Melissa Kasnitz from the DRA. (A summary of the participants is attached as Appendix A.) Participants received \$75 remuneration from PG&E to thank them for their time and to encourage those invited to show up.

- Each interview lasted approximately 45 minutes. (Detailed interview notes are attached as Appendix B.)
- Samples of both bill formats tested are attached as Appendix C.

4. Key findings

The key findings from the interviews are organized into the following sections:

- (A) Customers' ability to find key information
- (B) Customers' preference on the use of charts and graphs
- (C) Usefulness of information
- (D) Preference for a large font bill format

A. Customers' ability to find key information

When asked how much they owed, all customers were able to find the amount due and the due date. (They noted that they appreciated seeing the bold and the new Account summary format was seen as simple.) They also noticed the breakdown of electricity and gas charges and indicated they preferred to see totals for each.

They were also able to find the call center number and their account number in the top right-hand corner. It was suggested, however, that there be more dashes in the account number or a bit more space between the numbers as that would make it easier for them to follow as they write the number on their check. (All customers indicated they paid using a check.) The format for "the Questions block of information" on the large font bill was preferred as the phone number appears on its own line.

Some customers had difficulty reading the billing date (it is in a lighter font) and also indicated they would prefer to see the billing period and not just the billing date.

All customers but one indicated that text on a white background is easiest for them to read, and the one exception preferred a reversed view – i.e. white text on a black background as her eyes are very sensitive to anything bright. The key is to make the contrast as high as possible.

B. Customers' preferences on the use of charts and graphs

All customers indicated that they loved the line graphs on the first page of the bill, but that the "(Therms/day)" and "(kWh/day)" would need to be larger. They commented that the full year was the appropriate time period. A couple of customers indicated they would monitor their usage and by having this information, it would prompt them to take action to try to conserve energy.

The bar graphs on pages 2 and 3 were not as easily understood as the customers could not view both bars at the same time and for some, they could not even see the height of one entire bar in their line of vision. It was not possible for them to compare their usage at a glance. Nevertheless, some customers indicated they liked having these graphs, but that the strong preference was for the line graphs on the first page. It is also interesting to note that one customer reversed the view on the CRT, so that the bill background was black with the text in white. In this particular view, the first bar in grey did not display well (it was very "grainy" or "fuzzy"). Grey is quite difficult to see in a reversed view and somewhat harder for those viewing black type on a white background as well. Again, the higher the contrast, the better.

C. Usefulness of information

Messages – Most customers commented that the messages were useful and when asked about what types of messages they would like PG&E to provide, they indicated they would like to know more about their programs. Other suggestions for messaging were to promote ways to save money, reduce usage and educate on community events. One gentleman recently moved from Seattle and he said his utility provider there was very community focused and his bill included messages about upcoming events in his area and showed how that utility company contributed to the community, etc. He found that information to be very helpful and showed the utility company cared and was proactive.

Some indicated that the messages would be better on the first page (it is difficult for these customers to scroll through their entire bill) or to at least use page one to refer them to the marketing page at the end of the bill.

Details of charges – A couple of customers thought that the meter reading was "cool" and wanted to see if their meter was estimated or not. However, for the most part low-vision customers find it difficult to read a lot of information and indicated they would not read through the details of their charges. When probed, they were able to explain the concept of tiers, but were confused by "gas meter multiplier".

Things you should know – Customers all appreciated seeing this information, but some noted that pages 2 and 3 (Details of your charges sections) should refer them to where the definitions are located – or perhaps even include some definitions with the detailed charges.

Marketing page – Customers indicated they would be less likely to throw this page out (compared to inserts, which they don't read) but the information would still need to have large titles they could scan and the information would have to be relevant/meaningful to them to read it.

It was also important to note that low-vision customers are not able to read the letters on their phone keys, so having a format such as 1.800.PGE.5000 or 1.866.PGE.CARE does not work. PG&E must also provide the actual numbers in addition to the letters.

D. Preference for a large font bill format

All eight customers indicated that the large font bill format would be a great service and all but one indicated they would opt to receive it – even if they had to call to request it. It was exciting (and heart-warming) to hear customers comment that they would be able to read it without their assistive devices. For a couple of customers, having a large font bill would save them a trip to the Lighthouse for the Blind as they do not own their own CRT machine.

The one gentleman who indicated he would still choose the existing one – even though he thought the large font format was “much better and very cool” – said that he didn't want to receive too many pages. The other customers did not mind receiving the number of pages and commented that they are in fact used to that with other large font documents.

It is also important to note, however, that customers want to ensure that they receive all the same information as the “regular sized” bill. They do not feel they should be treated any differently because they have low-vision in terms of the information they receive. (Note that the large font bill format we showed them did not contain the line graphs on the first page.)

A couple of customers indicated their ultimate preference would be to receive an online bill (as long as it was an exact replica) as they can use the “JAWS” or other software. (We indicated that this service was available for them to choose today.)

Having information in a single column is much easier for most low-vision customers than having to read two columns. People with low vision are typically only able to see few words in close proximity and large gaps are hard to navigate. For example, in the Account summary, customers needed to scroll across to see the amounts associated with the descriptions as they were not able to see all of this information at once (unlike normal vision people, who are able to span an entire page width and see the relationship of groups of text). When the second column was encountered,

they found it difficult to identify that this information was messaging and not related or still part of the Account summary table (first column). The only time that 2 columns was preferred was in the *Things you should know* page as the columns were even width so they could fold the paper in half and the line length was shorter.

Bullets are also good – especially if they are used to help customers associate like pieces of information. The bullets were seen as useful in the *Things you should know* section.

5. Recommendations

Based on the key findings noted above, we strongly recommend that PG&E provide a large-font bill format for its low-vision customers and promote it on the “regular” bill and wherever possible. They **will** call to request this format when they know it is available to them and they will appreciate the convenience afforded to them. What a tremendous difference PG&E can make in the lives of so many of its customers! For the large font bill format, we recommend making the following adjustments:

1. Keep it as simple as possible. The fewer the words, the better for this audience as it takes them much longer to read the information. As an example, you don't need to put “We are available to serve you 24 hours a day, 7 days a week.” Under the phone number. Simply put:

Questions?

Call 1-800-743-5000

Website: www.pge.com

Also, change the “Details of your gas charges” to simply be “Your gas charges” and “Details of your electricity charges” to “Your electricity charges” and remove the icons.

2. Put the line graphs on the second page and move the messages to the end of each section (if there is room) or on a page before the *Things you should know* information.
3. Ensure that the lines in the line graph and both bars in the bar charts appear in black and not grey. The billing date and legend in the graphs must also be in black.
4. Change the title “Your energy statement” to be “Your bill” and move this title to be at the top under the logo. Customers need to be able to flip through their mail and documents and readily identify the document. Some use their 20/20 pens to write “BILL” at the top, so by having the title closer to the top, it would save them having to do this.

5. Change the billing date to be the billing period (if in fact the gas charges and electricity charges would be for the same period and this information would be accurate) and move this line so it is closer to the top – aligned with “Questions?” on the right.
6. Move the amounts on the right hand side to be as close to the descriptions on the left as possible, while still allowing for maximum field lengths.
7. Incorporate more bullets as they serve as a key navigational guide for low-vision customers. We recommend putting them in front of messages and also used more throughout the *Things you should know* section; for example, in front of the *Your Tier 1 baseline* and some of the *Options for paying your bill*.
8. Ensure the paper stock has a low brightness. (Typically, paper ranges in brightness from 1 to 3, so we recommend going with a number 3 stock. It would have more recycled fibre and not use as much bleaching compound.)
9. Delete the math symbols (minus and equal signs) as these can be misleading for some low-vision customers. They view these symbols as extra “marks” they need to decipher and they don’t really make sense when they can only see one figure at a time and not in relation to the others.
10. On the “Gas meter multiplier” line, add “(see explanation on page 4)”.
11. If possible, include more dashes in the Account number. If the data cannot be passed that way, then use tracking so there is more space between each number.

If PG&E chooses not to proceed with a large font bill version, and/or it wants to improve its “regular” format so it is easier for its low-vision customers to read, we recommend that it make the following minor adjustments.

1. Remove the blue gradation so the background is white. (And again, ensure the paper stock has a low brightness of a number 3 stock.)
2. Change the line in the graph on the first page to be black and outline the bars in the *Details of your gas charges* and *Details of your electricity charges* sections.
3. Increase the font size of “Please return this portion with your payment” line that is on the payment stub, the page numbers and the (therms/day) and (kWh/day).
4. Add a thin vertical line to separate the columns.
5. On the “Gas meter multiplier” line, add “(see explanation on page 4)”.

6. If possible, include more dashes in the Account number. If the data cannot be passed that way, then use tracking so there is more space between each number.

Participants summary

TO: [Redacted]

CC: [Redacted]
[Redacted] PG&E

FROM: [Redacted], Research Consultant

DATE: December 2, 2006

RE: PG&E Consumer Usability Test low-vision participant summary

PG&E consumers with low-vision were recruited for the Consumer Usability Test from November 17, 2006-November 30, 2006. Flyers were sent via e-mail to several non-profit organizations, schools and agencies that serve blind and visually impaired people in the San Francisco Bay Area such as the LightHouse for the Blind and Visually Impaired, Independent Living Resource Center of San Francisco, Mayor's Office on Disability, Planning for Elders in the Central City, California Council of the Blind, San Francisco State University Office of Disabled Student Services, Orientation Center for the Blind and National Federation of the Blind-California.

Ten participants were screened and scheduled for interviews on December 1, 2006. The interviews took place at the LightHouse for the Blind and Visually Impaired, a hub for the blind and visually impaired community, at 214 Van Ness Avenue, San Francisco. All ten participants arrived and were paid \$75. A total of eight participants were interviewed with the interviews taking approximately 45 minutes to 1 hour.

Five men and three women were interviewed. Among all eight participants, five participants were 36-65 years old and three participants 18-35 years old. All participants identified as having low-vision and they used a variety of assistive devices to read their PG&E bills (see table below). Closed-circuit televisions and hand magnifiers were the two most commonly used devices that facilitated reading.

ID #	Interview time	Interviewed?	Assistive devices/technology used
#4	9 a.m.	Yes	7x magnifier
#3	9 a.m.	Yes	Magnifier, CRT (video magnifier)
#9	10 a.m.	Yes	Eyes only and occasionally CCTV
#8	11 a.m.	Yes	Closed-circuit TV; magnifying glass
#6	12:30 p.m.	Yes	Magnifying glass
#5	1:30 p.m.	Yes	Magnifying glass, reading glasses
#2	2:30 p.m.	Yes	Magnifiers
#10	3:30 p.m.	Yes	Closed-circuit TV
#7	3:30 p.m.	No	Eyes, magnifying glass
#1	4:30 p.m.	No	Closed-circuit TV; magnifying glass

Testing samples
(2 bill formats)

Your energy statement

Billing date: May 2, 2006

Questions? Call 1-800-743-5000
Visit www.pge.com

We are available to serve you
24 hours a day, 7 days a week.

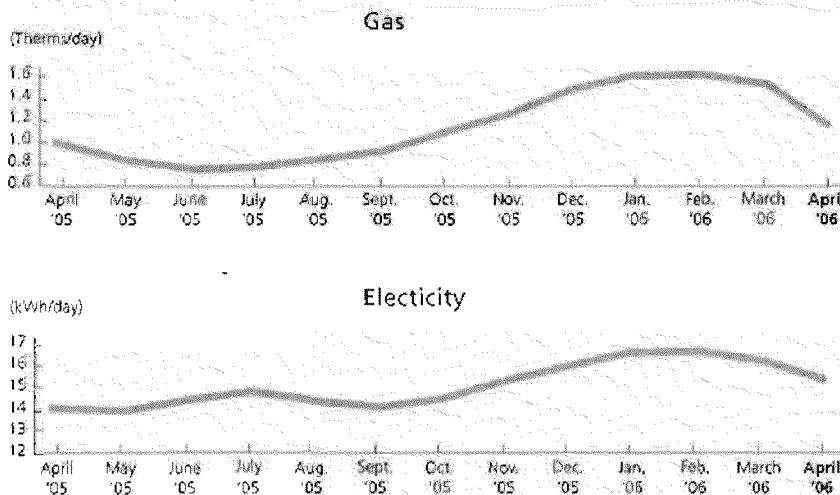
Your account summary

Amount of your last bill	\$131.34
Thank you for your payment on April 13, 2006	- \$131.34
Balance forward	= \$0.00
Your gas charges	\$48.78
Your electricity charges	\$56.46
Total amount due by May 23, 2006	\$105.24

Your time is important

Spend less of it paying your bills.
Save time. Pay your bills online
with safe, secure and free 24-hour
access to your account. You can
view, pay and track your bills and
receive email alerts when your bills
are ready to be viewed and paid.

Your average gas and electricity usage at a glance



Knowledge is power. You can help
reduce your energy bills if you
know how much energy you've
been using.

Visit www.pge.com to review
up to 3 years of history on your
energy usage so you can find ways
to save money.

♻️ Recycled content: 30% post-consumer waste

Please return this portion with your payment. Thank you. No staples, please.



Account number
9209438199-0

Billing date
May 2, 2006

Total amount due by
May 23, 2006
\$105.24

Amount enclosed
\$

1900.22.520.114921 1 AT 0.308



JOHN JACOB SAMPLE
123 MAIN STREET,
SAMPLE CITY, CA 94177-0001



PG&E
BOX 997300
SACRAMENTO CA 95899-7300

22 222 0250 0000077 0000000000000004760000019523



Details of your gas charges

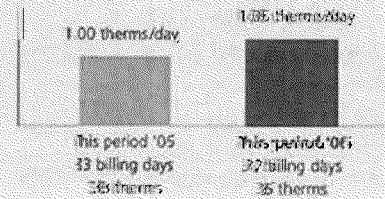
From April 1, 2006 to May 2, 2006

Explanations of terms used in this statement appear on page 4.

Your meter reading

Meter: 51529755, Serial C	
Current reading on May 2, 2006	2,627
Prior reading on April 1, 2006	- 2,593
Difference	= 34
Gas meter multiplier	x 1.021600
Gas you used this billing period (therms)	= 35

Your average gas usage



Here's how we calculated your gas charges

From April 1, 2006 to May 2, 2006 (32 days)		
Tier 1 baseline	16.00000 therms @ \$1.21835	\$19.49
Tier 2	19.00000 therms @ \$1.44970	\$27.55
Subtotal of your gas charges		= \$47.04
Gas PPP surcharge	35.00000 therms @ \$0.04968	\$1.74
Your total gas charges		= \$48.78

The summer gas season began on April 1. The daily baseline quantities have changed slightly from previous years. Please see page 4 for details.

CARE Program

The CARE Program provides a 20% discount on your energy bill for qualifying households. Eligibility depends on current program income guidelines. Applying is free, easy and confidential. To see if you qualify or for more information, please call 1-866-743-2273 or visit www.pge.com/care.

El Programa CARE le proporciona un 20% de descuento en la factura de energía a los hogares que reúnen los requisitos. Los criterios de elegibilidad dependen de las pautas actuales del programa. Inscribirse en el programa es gratis, fácil y confidencial. Para determinar si califica, o para obtener más información, por favor llame al 1-866-743-2273 o visite nuestro sitio web www.pge.com/care.

Are you moving?

Account number: 9209438005

- change my address
- change my telephone number
- change my e-mail

FIRST NAME		LAST NAME	
STREET #	STREET NAME		APARTMENT #
STATE		ZIP CODE	
TELEPHONE #		E-MAIL ADDRESS	

RESIDENTIAL_E-I/G-1_VERSION 1.0



Details of your electricity charges

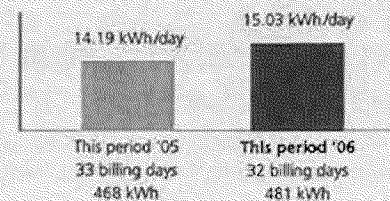
From April 1, 2006 to May 2, 2006

Your meter reading

Meter: 6H5883, Serial C

Current reading on May 2, 2006	60,848
Prior reading on April 1, 2006	- 60,367
Difference	= 481
Electricity meter constant	x 1.00
Electricity you used this billing period (kWh)	= 481

Your average electricity usage



Here's how we calculated your electricity charges

From April 1, 2006 to April 30, 2006 (30 days)

Tier 1 baseline	363.00000 kWh @ \$0.11430	\$41.49
Tier 2	87.94000 kWh @ \$0.12989	\$11.42

From May 1, 2006 to May 2, 2006 (2 days)

Tier 1 baseline	30.06250 kWh @ \$0.11430	\$3.44
Subtotal of your electricity charges		= \$56.35
Energy commission tax	481.00000 kWh @ \$0.00023	\$0.11
Your total electricity charges		= \$56.46

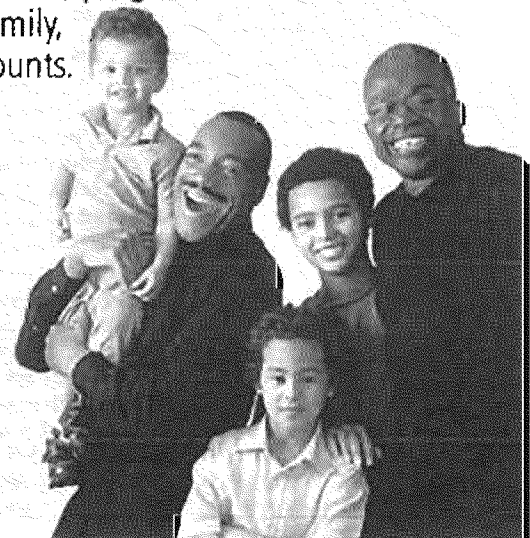
Find out why the amount you owe on this bill is different from this time last year. Visit our website, www.pge.com and check out our bill analyzer tool to compare your energy usage.

Do you qualify for savings?

If you qualify for the Family Electric Rate Assistance (FERA) program you can enjoy lower electricity rates open to single-family, low- to middle-income customers with their own accounts.

The FERA Program provides savings on electric bills for qualifying large households of 3 or more persons by charging lower rates. To see if you qualify or for more information, visit www.pge.com/fera or call us at: 1-800-743-5000.

El Programa FERA proporciona ahorros a hogares grandes, de tres o mas personas, que califican cobrandoles las tarifas. Para ver si califica o para informacion adicional, por favor visite nuestro sitio en la web www.pge.com/fera o llame al 1-800-660-6789.



For additional rebates and energy saving resources: www.pge.com/res/rebates

Things you should know

Customer service

24 hours/day, 7 days/week	1-800-743-5000
TDD/TTY (Speech/Hearing impaired)	1-800-652-4712
Servicio al Cliente en Español (Spanish)	1-800-660-6789
华语客户服务电话号码 (Chinese)	1-800-893-9555
Dịch vụ Khách Hàng (Vietnamese)	1-800-298-8438
Other languages	1-800-743-5000
Smarter Energy Line (for residential energy efficiency information)	1-800-933-9555
Energy theft hotline	1-800-854-6250
To request a claim form	1-800-743-5000

Your **Tier 1 baseline** is the number of therms or kWh billed at the lowest rate. If you use more than your baseline maximum, every therm or kWh above it will be billed at higher rates.

Your gas baseline maximum:

April 1, 2006 to May 2, 2006: 16.00000 therms.

Your electricity baseline maximum:

April 1, 2006 to April 30, 2006: 363.00000 kWh

May 1, 2006 to May 2, 2006: 31.00000 kWh.

Baseline quantities are determined by your location or "climate zone," your heating source, and the season.

The **gas meter multiplier** adjusts your metered volume by correcting for differences in elevation, delivery pressure and the heating content present in the natural gas.

The **electricity meter constant** converts your meter reading to the actual electricity used.

The following items are already included in your gas charges.

- Delivery costs for gas transmission and distribution.
- Procurement costs for purchased gas delivered to PG&E's service territory border at the following rates (rate schedule G1 R):
April 1, 2006 to May 2, 2006: \$0.83971/therm.
- Your gas Public Purpose Program (PPP) surcharge of \$1.74 for the cost of state-mandated gas assistance programs for low-income customers, energy efficiency programs, and public interest research and development.

The following items are included in your electricity charges.

- Delivery costs of \$28.47 for transmission, distribution and public purpose programs.
- Energy costs of \$27.88 for the commodity cost of electricity for customers that purchase electricity from PG&E and a Competition Transition Charge (CTC). The CTC is the cost of certain purchased power agreements and restructuring implementation costs and is determined by the CPUC. Customers that elect to purchase electricity from other suppliers pay this charge.
- Energy cost recovery amount of \$1.89, which covers the principal, interest, and other costs associated with Energy Recovery Bonds issued by a Special Purpose Entity (SPE). One of these charges is the Dedicated Rate Component (DRC), which is \$0.00393/kWh. PG&E collects the DRC on behalf of the SPE, which uses these funds to pay Bond principle, interest, and other Bond-related costs. The SPE transferred the net Bond proceeds to PG&E to purchase Recovery Property from PG&E. PG&E used the proceeds from the sale of Recovery Property to refinance its bankruptcy Regulatory Asset, which was established by the CPUC to help finance PG&E's emergence from bankruptcy.

- DWR bond charge of \$0.99 for recovering the cost of bonds issued to finance a portion of the historic cost of power purchased by California Department of Water Resources (DWR) to serve electric customers. DWR bond revenues are collected on behalf of DWR and do not belong to PG&E.

Options for paying your bill

By phone – Call 1-866-707-0682 at any time. You can use a debit card with ~~STAR~~ on the back or an electronic check. (Our independent service provider charges a fee for each transaction.)

Online at www.pge.com – Make a one-time payment or sign up for automatic payments.

At your neighborhood Payment Center – To find a Payment Center near you, please visit www.pge.com or call 1-800-743-5000. Please bring this notice with you.

By mail – Send your payment along with the payment stub in the envelope provided.

At any of our local offices – Please bring this notice with you. The address for your local office is 705 Any Street Fresno CA 93760.

If you disagree with your bill

If you believe we have billed you incorrectly, we encourage you to contact us for an explanation. If you are dissatisfied with our response, send the bill and a letter to

California Public Utilities Commission (CPUC)
Consumer Affairs Branch
505 Van Ness Avenue
San Francisco, CA 94102

Be sure to enclose a deposit for the amount owed made payable to the CPUC to avoid having service turned off while you wait for a CPUC decision. The CPUC will only accept deposits for matters that relate directly to the accuracy of a bill. Matters such as the quality of a utility's service, general level of rates, pending rate applications and sources of fuel or power are not matters related to bill accuracy.

If it is not possible for you to pay your deposit, you must advise the CPUC. In the meantime, we cannot turn off your service for nonpayment as long as the CPUC is reviewing your claim.

Past-due bills

Your bill is due when you receive it and becomes past due 19 days after the date presented. Closing bills are considered past due if not paid 15 days after the mailing date.

If you are unable to pay on time, call us to discuss how we can help. You may qualify for reduced rates under PG&E's CARE program or other special programs and agencies may be available to assist you. If you feel we are not offering you a payment arrangement that is reasonable for you, you may contact the CPUC at 1-800-649-7570 or 415-703-2032 (TDD/TTY).

Deposits

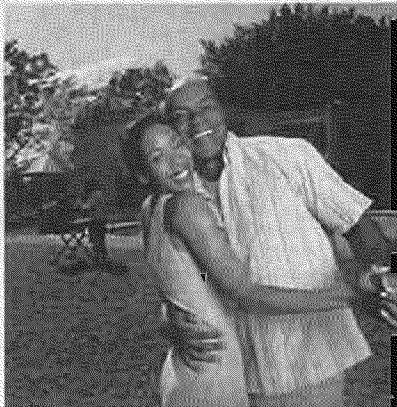
We may require a deposit from you to establish service, to reestablish credit or to increase an existing deposit. Typically, deposits for new service may be twice the average monthly bill, for existing customers it may be up to twice the maximum monthly bill.

Rules & Rates

We offer optional rates that may lower your PG&E bills. To find out about our optional rates or for a complete list of our rules and rates, visit www.pge.com or call our customer service number.

Rotating outage blocks

Rotating outage blocks are subject to change without advance notice due to operational conditions.



Cool Off Your Summer Energy Bills.

Take advantage of three easy ways to stay in control, including a special rebate.

The heat is on, but you can put a chill on your PG&E electricity usage. It's easy, and it can make your summer a lot more comfortable:

1 Get a new home desktop computer or server that uses 80PLUS[®] certified power supplies. For more information, visit www.80plus.org

2 Have your air-conditioning ducts tested when you buy or service a unit.

3 Pocket a \$100 rebate on a filtration pump and motor for your swimming pool.

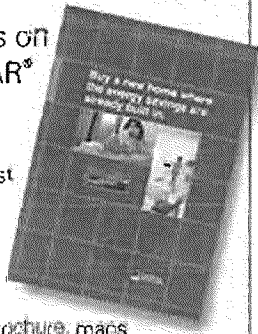
For details about this as well as additional rebates and energy saving resources, visit www.pge.com/res/rebates or call the Smarter Energy Line at 1.800.933.9555.

FREE Homebuyer's Kit: Savings to \$400 plus valuable coupons

Get money saving details on ENERGY STAR[®] New Homes.

Lower the total cost of your new home by cutting energy bills \$200-\$400 every year. Get a handy video and brochure, maps to nearby energy-efficient developments plus valuable coupons for products and services.

Call 1.800.474.3468 or visit pge.com/newhomes

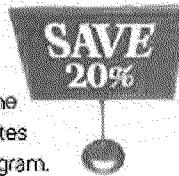


Why we trim trees and ways you can help

- **It's the Law.** State law requires PG&E to keep clearances between high-voltage power lines and all vegetation
- **For Public Safety.** Maintaining required clearances keep people safe from injury if they climb or work in trees located near power lines.
- **For Fire Safety.** Trimming trees to maintain required clearances prevents them from touching high-voltage power lines, which can start fires. Lower voltage lines, such as phone and cable TV lines, that are installed lower on the utility pole, don't require clearing because they present little or no fire hazard.
- **To Reduce Outages.** Trimming trees to maintain required clearances reduce outages caused by falling branches.

20% CARE savings off your PG&E bill

Find out if you're eligible to save 20% each month through the California Alternate Rates for Energy (CARE) program. If you're already enrolled, you must be recertified every two years.

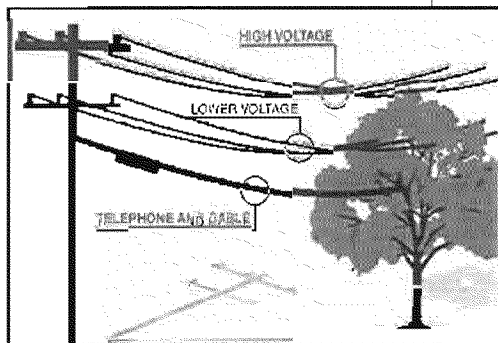


Call 1.866.PGE.CARE to apply or recertify now.

Sidewalk or yard project? Call before You Dig! 1.800.227.2600

Don't hit an underground utility line. Whether you're a homeowner or contractor, call Underground Service Alert at least two working days before you dig.

For more information on this free service, visit www.pge.com/safety



Ways You Can Help

- Allow PG&E access to trees when trimming is necessary*.
- Don't plant trees under or near overhead power lines.
- Clear flammable vegetation from around your home.
- Never trim trees near high voltage power lines yourself. Call us first at 1.800.PGE.5000.

* PG&E will provide a utility company with the low cost report in facility in the neighborhood for damages or loss as resulting from a vegetation project. Utility companies do not cover these types of damages if the property owner has not been notified that trees need to be cleared.

POWER CONTENT LABEL

ENERGY RESOURCES	PG&E 2006 POWER MIX Projected	2005 CA POWER MIX** (For Comparison)
Eligible Renewable	13%	5%
Biomass and waste	55%	<1%
Geothermal	2%	<1%
Small hydroelectric	4%	1%
Solar	0%	10%
Wind	2%	<1%
Coal	3%	38%
Large Hydroelectric	19%	24%
Natural Gas	92%	33%
Nuclear	2%	49%
Other	<1%	0%
TOTAL	100%	100%

* At least 95% of PG&E's POWER MIX is provided by the California Department of Water Resources from PG&E owned resources or specifically purchased from third-party suppliers.
** Percentages are based on data compiled by the California Energy Commission based on electric utility sales to California consumers during the previous year.
For more information about the 2005 power mix, contact Pacific Gas and Electric Company's Public Affairs Department at the Public Affairs Department, 500 Van Ness Avenue, San Francisco, CA 94102, or call 1-800-555-7794 or www.pge.com/publicaffairs.

The actual 2005 fuel mix for California statewide is not the "CA power mix" shown above. Rather it is: 11% renewable, 20% coal, 17% large hydro, 38% natural gas, and 14% nuclear. PG&E advocates changes to the mandated formula that statewide values would be provided for comparison.

PROPOSITION 65—PUBLIC WARNING

The Safe Drinking Water and Toxic Enforcement Act of 1988, commonly referred to as Proposition 65, requires the Governor to publish a list of chemicals "known to the State of California" to cause cancer, birth defects, or other reproductive harm. It also requires California businesses to warn the public if they are exposed to these chemicals without sufficient information.

Pacific Gas and Electric Company uses chemicals in its operations that are "known to the State of California" to cause cancer, birth defects, or other reproductive harm.

For example, Pacific Gas and Electric Company uses natural gas and petroleum products in its operations. Pacific Gas and Electric Company uses natural gas to generate electricity for its customers. Petroleum products, natural gas, and their combustion by-products contain chemicals "known to the State of California" to cause cancer, birth defects, or other reproductive harm.

A warning is added to natural gas and petroleum products if they can be readily detected. If you are exposed to these chemicals, Pacific Gas and Electric Company should be contacted promptly.

Pacific Gas and Electric Company provides a free service to check and identify such hazards. For applications, please call 1-800-748-5000. If you would like to get a copy of the chemicals list, please call 1-800-748-5000.

For additional information on this Proposition 65 warning, write to Pacific Gas and Electric Company at P.O. Box 7017, San Francisco, CA 94120.

**NOTICE OF APPLICATION FILING:
PG&E'S 2007 ENERGY RESOURCE RECOVERY ACCOUNT
(ERRA) AND ONGOING COMPETITION TRANSITION CHARGE
(CTC) FORECAST REVENUE REQUIREMENTS**

Each year, Pacific Gas and Electric Company (PG&E) is required to file an application that forecasts in detail how much it will spend the following year to ensure adequate electricity supplies for its customers. The California Public Utilities Commission (CPUC) carefully reviews the utility's forecasts to ensure that customers are not charged more than it costs PG&E to provide electricity.

On June 1, 2006, PG&E submitted Application No. 06-0351, requesting that the CPUC adopt its forecasts of fuel and electricity purchase costs for 2007. PG&E's total electric procurement forecast (that is, the expected costs of electricity needed to serve its customers) is \$3.157 billion. This forecast consists of \$2.886 billion of power procurement costs (cost of fuel and electricity at or below market rates) and \$269 million of "uneconomic" power costs (such as power purchases under pre-existing contracts at prices that are now higher than market rates). These uneconomic power costs are recovered by an ongoing Competition Transition Charge (CTC) as allowed by the Electric Utility Industry Restructuring Act (Assembly Bill 1891). In its application, PG&E also proposes that expected over-collections of electric procurement costs in 2006 be refunded to customers by reducing rates in 2007.

Does this mean electricity will cost me more? Even though overall revenues from bundled customers (that is, customers who receive electric generation, as well as transmission and distribution, service from PG&E) will increase by approximately \$218 million, some customers' bills will increase and others will decrease. This is because the reduction is allocated among customer classes differently. (See illustrative allocation of revenues to each class in the table located at the back of this notice.) PG&E expects that the rate changes associated with PG&E's 2007 electric procurement forecast, as well as any accrued under- or over-collection in related balancing accounts (an account established to record, for recovery through rates, certain authorized amounts) and to ensure revenues match those amounts, will be consolidated with changes in other CPUC proceedings and incorporated into rates on January 1, 2007, so the eventual net change in rates for individual customers is difficult to predict.

Details of Information About PG&E's Application
In December 2002, the CPUC ordered PG&E to establish the Energy Resource Recovery Account (ERRA). In this account, PG&E is to record the cost of fuels used in producing electricity at its own power plants and the cost of buying electricity from non-PG&E generators. Each year the utility submits a forecast of upcoming costs and reports on the previous month's activities.

In its 2007 ERRA application, PG&E proposes a 2007 ERRA revenue requirement for bundled customers of \$2,886 million and an ongoing Competition Transition Charge revenue requirement for bundled, direct access (customers who purchase their electricity from a non-utility supplier) and departing load customers (customers who receive electric generation as well as transmission and distribution, service from a publicly-owned utility or municipality) of \$269 million. This increases bundled ERRA revenue collection by approximately \$291 million and reduces bundled, direct access, and departing load ongoing CTC revenue collection by approximately \$65 million relative to present ERRA and ongoing CTC rates.

PG&E is seeking to change total electric charges for bundled service customers. In addition, customers who purchase energy from non-PG&E suppliers (that is, direct access customers) will also see a change (a reduction) to the bill due to the reduction of the CTC rate. (The reduction in CTC revenues across all direct access customers (approximately \$11 million) is currently largely offset by a corresponding increase in the California Department of Water Resources (DWR) power portion of the Direct Access Cost Responsibility Surcharge, but may be affected by issues being addressed in separate proceedings before the Commission.) Departing load customers will see a decrease to the CTC rate. The following table illustrates how PG&E proposes to allocate

the increase in the ERRA revenue requirement and the decrease in the CTC revenue requirement among bundled and direct access customers:

Class and Service	2007 ERRA and Ongoing CTC Revenue Allocations to Class, Based on Rates as Proposed (Dollars in millions)		Requirements of June 1, 2006	
	Change in Bundled Revenues	Percent Change in Bundled Revenues	Change in Direct Access Revenues	Percent Change in Direct Access Revenues
Residential	\$79,911	1.75%	-\$57	-1.28%
Small Commercial	\$23,420	1.00%	-\$6	-0.08%
Medium Commercial	\$43,684	2.40%	\$0	0.00%
Large Commercial	\$30,589	2.45%	-\$36	-0.04%
Streetlights	\$6,197	24%	N/A	N/A
Standby	\$6,728	2.13%	N/A	N/A
Agriculture	\$8,179	1.00%	\$0	0.00%
Light Industrial	\$31,160	2.23%	-\$242	-0.13%
System Total	\$218,543	2.03%	-\$341	-0.09%

If the Commission approves PG&E's application, a typical residential customer using 340 kWh per month will see the average monthly bill change from \$69.31 to \$69.68, an increase of 37 cents per month. A residential customer using twice their baseline allowance, approximately 680 kWh per month, will see the average monthly bill change from \$143.10 to \$146.03, an increase of \$2.93 per month. Individual bills may differ.

THE CPUC PROCESS

The CPUC's Independent Division of Ratepayer Advocates (IDRA) will review this application, analyze the proposed rates, and present its independent analysis and recommendations for the CPUC's consideration. Other parties will also participate.

The CPUC may hold public hearings where parties present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge. These hearings are open to the public, but only those whose parties of record can present evidence or cross-examine witnesses during public hearings.

After considering all proposals and evidence presented during the hearing process, the CPUC will issue a final decision. When the CPUC acts on this application, it may adopt all or part of PG&E's request, amend or modify it, or deny the application. The CPUC's final decision may be different from PG&E's proposed application filing.

FOR FURTHER INFORMATION

You may contact the CPUC's Public Advisor with comments or questions as follows:
Public Advisor's Office: 415.703.2074 or 866.849.6590 (toll free)
505 Van Ness Avenue, Room 2103 TTY: 415.703.5282, TTY: 866.836.7825 (toll free)
San Francisco, CA 94102 E-mail: PublicAdvisor@cpuc.ca.gov

If you are filing a letter to the Public Advisor's Office, please include the application number (06-0351). All comments will be circulated to the Commission's assigned Administrative Law Judge and the Energy Division staff.

For more details call PG&E at 800.743.5000
Para más detalles llame 800.650.6789 • 電話查詢 800.298.8438
For TDD/TTY (speech/hearing impaired) call 800.552.4712

RESIDENTIAL - E-1/6-1_VERSION 1.0



Pacific Gas and Electric Company

www.pge.com

John Jacob Sample
123 Main Street
Sample City, CA 94177-0001

Account number: 9209438199-0-1

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Questions?

Call 1-800-743-5000

Visit www.pge.com

We are available to serve you
24 hours a day, 7 days a week.

Your energy statement

Billing date: Nov. 8, 2006

Your account summary

Amount of your last bill	\$29.24
Thank you for your payment on Oct. 23, 2006	- \$29.24
Balance forward	= \$0.00
Your gas charges	\$10.56
Your electricity charges	\$22.76
Total amount due by Nov. 28, 2006	= \$33.32

The charges above include your CARE discount of \$11.10.



Please return the portion below with your payment. Thank you.

Account number	Total due by Nov. 28, 2006:	\$33.32	Amount enclosed
9209438199-0-1			\$

1900.22.520.114921 1 AT 0.308



JOHN JACOB SAMPLE
123 MAIN STREET
SAMPLE CITY CA 94177-0001



PG&E
BOX 997300
SACRAMENTO CA 95899-7300

22 222 0250 0000077 0000000000000004760000019523

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Explanations of terms used in this statement begin on page 5.

Winter rates began on Nov. 1, 2006

The winter baseline season began on Nov. 1, 2006. Your Tier 1 baseline and its rate were adjusted. Please see page 3 for more information.

Your time is important

Spend less of it paying your bills. Save time. Pay your bills online with safe, secure and free 24-hour access to your account. You can view, pay and track your bills and receive email alerts when your bills are ready to be viewed and paid.

Do you qualify for savings?

The Family Electric Rate Assistance (FERA) program provides savings on electric bills. To see if you qualify, call us at 1-800-743-5000.

change address change telephone number change e-mail

First name		Last name	
Street #	Street name		Apartment #
City		State	Zip code
Telephone #:		E-mail address	

RESIDENTIAL_E-MAIL_CHANGE_FORM_V1.0



Details of your gas charges

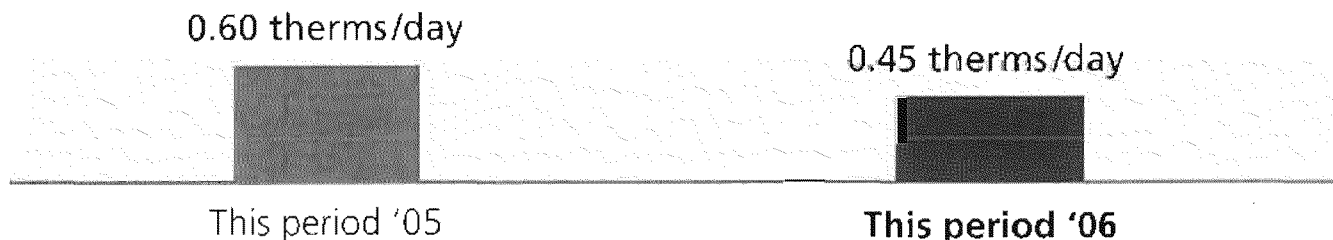
From Oct. 11, 2006 to Nov. 8, 2006

Your meter reading

Meter: 51529755, Serial C

Current reading on Nov. 8, 2006	4,729
Prior reading on Oct. 10, 2006	- 4,716
Difference	= 13
Gas meter multiplier	x 1.0190
Gas you used this billing period (therms)	= 13

Your average gas usage at a glance



Here's how we calculated your gas charges

Previous rates – Oct. 11, 2006 to Oct. 31, 2006 (21 days)

Tier 1 baseline	9.41390 therms @ \$0.93755	\$8.83
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New rates – Nov. 1, 2006 to Nov. 8, 2006 (8 days)

Tier 1 baseline	3.58621 therms @ \$1.15552	\$4.15
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Subtotal of your gas charges		= \$12.98
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Gas PPP surcharge	13.00000 therms @ \$0.01457	\$0.18
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Your CARE discount		- \$2.60
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Your total gas charges		= \$10.56
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Details of your electricity charges

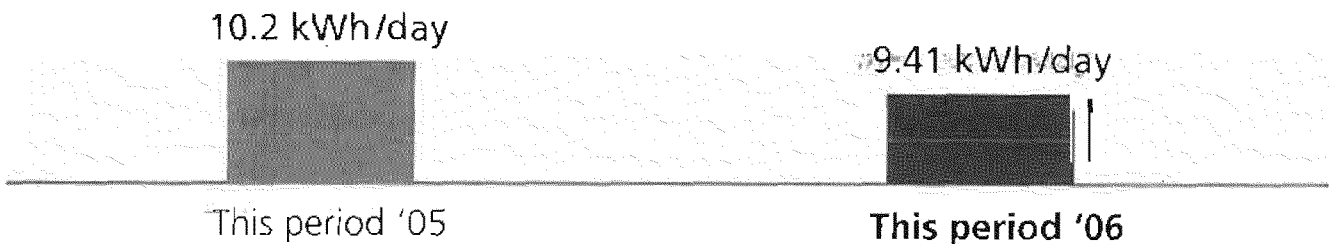
From Oct. 11, 2006 to Nov. 8, 2006

Your meter reading

Meter: 6H5883, Serial C

Current reading on Nov. 8, 2006	55,723
Prior reading on Oct. 10, 2006	55,450
Difference	= 273
Electricity meter constant	x 1.00
Electricity you used this billing period (kWh)	= 273

Your average electricity usage at a glance



Here's how we calculated your charges

Previous rates – Oct. 11, 2006 to Oct. 31, 2006 (21 days)

Tier 1 baseline	197.68966 kWh @ \$0.11430	\$22.60
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New rates – Nov. 1, 2006 to Nov. 8, 2006 (8 days)

Tier 1 baseline	75.31035 kWh @ \$0.11430	\$8.60
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Subtotal of your electricity charges		= \$31.20
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Energy commission tax	273.00000 kWh @ \$0.00024	\$0.06
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Your CARE discount		-\$8.50
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Your total electricity charges		= \$22.76
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Things you should know

Customer service

24 hours/day, 7 days/week	1-800-743-5000
TDD/TTY (Speech/Hearing impaired)	1-800-652-4712
Servicio al Cliente en Espanol (Spanish)	1-800-660-6789
华语客户服务电话号码 (Chinese)	1-800-893-9555
Dịch vụ Khách Hàng (Vietnamese)	1-800-298-8438
Other languages	1-800-743-5000
Smarter Energy Line (for residential energy efficiency information)	1-800-933-9555
Energy theft hotline	1-800-854-6250
To request a claim form	1-800-743-5000

Your Tier 1 baseline is the number of therms or kWh billed at the lowest rate. If you use more than your baseline maximum, every therm or kWh above it will be billed at higher rates.

Your gas baseline maximum:

Oct. 11, 2006 to Oct. 31, 2006: 10.50000 therms

Nov. 1, 2006 to Nov. 8, 2006: 15.20000 therms.

Your electricity baseline maximum:

Oct. 11, 2006 to Oct. 31, 2006: 369.60000 kWh

Nov. 1, 2006 to Nov. 8, 2006: 96.80000 kWh.

Baseline quantities are determined by your location or "climate zone," your heating source, and the season.



The following items are already included in your gas charges.

- Gas delivery costs for gas transmission and distribution.
- Gas procurement costs for purchased gas delivered to PG&E's service territory border at the following rates (rate schedule GNR1):
Oct. 11, 2006 to Oct. 31, 2006: \$0.57856/therm
Nov. 1, 2006 to Nov. 8, 2006: \$0.79653/therm.
- Your gas Public Purpose Program (PPP) surcharge of \$0.18 for the cost of state-mandated gas assistance programs for low-income customers, energy efficiency programs, and public interest research and development.

The gas meter multiplier adjusts your metered volume by correcting for differences in elevation, delivery pressure and the heating content present in the natural gas.

The following items are included in your electricity charges.

- Electric delivery costs of \$11.53 for transmission, distribution and public purpose programs.
- Electric energy costs of \$19.67 for the commodity cost for electricity for customers that purchase electricity from PG&E and a Competition Transition Charge (CTC). The CTC is the cost of certain purchased power agreements and restructuring implementation costs and is determined by the CPUC. Customers that elect to purchase electricity from other suppliers pay this charge.
- Energy cost recovery amount of \$1.19, which covers the principal, interest, and other costs associated with Energy Recovery Bonds issued by a Special Purpose Entity (SPE). One of these charges is the Dedicated Rate Component (DRC), which is \$0.00393/kWh. PG&E collects the DRC on behalf of the SPE, which uses these funds to pay Bond principle, interest, and other Bond-related costs. The SPE transferred the net Bond proceeds

to PG&E to purchase Recovery Property from PG&E. PG&E used the proceeds from the sale of Recovery Property to refinance its bankruptcy Regulatory Asset, which was established by the CPUC to help finance PG&E's emergence from bankruptcy.

- **DWR bond charge** of \$0.99 for recovering the cost of bonds issued to finance a portion of the historic cost of power purchased by California Department of Water Resources (DWR) to serve electric customers. DWR bond revenues are collected on behalf of DWR and do not belong to PG&E.

The electricity meter constant converts your meter reading to the actual electricity used.

Options for paying your bill

By phone – Call 1-866-707-0682 at any time. You can use a debit card with **STAR** on the back or an electronic check. (Our independent service provider charges a fee for each transaction.)

Online at www.pge.com -- Make a one-time payment or sign up for automatic payments.

At your neighborhood Payment Center – To find a Payment Center near you, please visit www.pge.com or call 1-800-743-5000. Please bring this notice with you.

By mail – Send your payment along with the payment stub in the envelope provided.

At any of our local offices – Please bring this notice with you. The address for your local office is 705 Any Street Fresno CA 93760.



If you disagree with your bill

If you believe we have billed you incorrectly, we encourage you to contact us for an explanation. If you are dissatisfied with our response, send the bill and a letter to

California Public Utilities Commission (CPUC)
Consumer Affairs Branch
505 Van Ness Avenue
San Francisco, CA 94102

Be sure to enclose a deposit for the amount owed made payable to the CPUC to avoid having service turned off while you wait for a CPUC decision. The CPUC will only accept deposits for matters that relate directly to the accuracy of a bill. Matters such as the quality of a utility's service, general level of rates, pending rate applications and sources of fuel or power are not matters related to bill accuracy.

If it is not possible for you to pay your deposit, you must advise the CPUC. In the meantime, we cannot turn off your service for nonpayment as long as the CPUC is reviewing your claim.

Past-due bills

Your bill is due when you receive it and becomes past due 19 days after the date presented. Closing bills are considered past due if not paid 15 days after the mailing date.

If you are unable to pay on time, call us to discuss how we can help. You may qualify for reduced rates under PG&E's CARE program or other special programs and agencies may be available to assist you. If you feel we are not offering you a payment arrangement that is reasonable for you, you may contact the CPUC at 1-800-649-7570 or 415-703-2032 (TDD/TYY)

Deposits

We may require a deposit from you to establish service, to reestablish credit or to increase an existing deposit. Typically, deposits for new service may be twice the average monthly bill; for existing customers it may be up to twice the maximum monthly bill.

Rules & Rates

We offer optional rates that may lower your PG&E bills. To find out about our optional rates or for a complete list of our rules and rates, visit www.pge.com or call our customer service number.

Rotating outage blocks

Rotating outage blocks are subject to change without advance notice due to operational conditions.

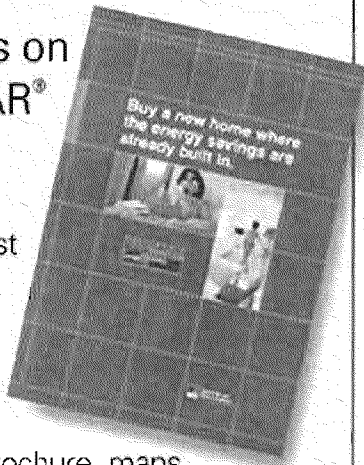


FREE Homebuyer's Kit: Savings to \$400 plus valuable coupons

Get money saving details on ENERGY STAR® New Homes.

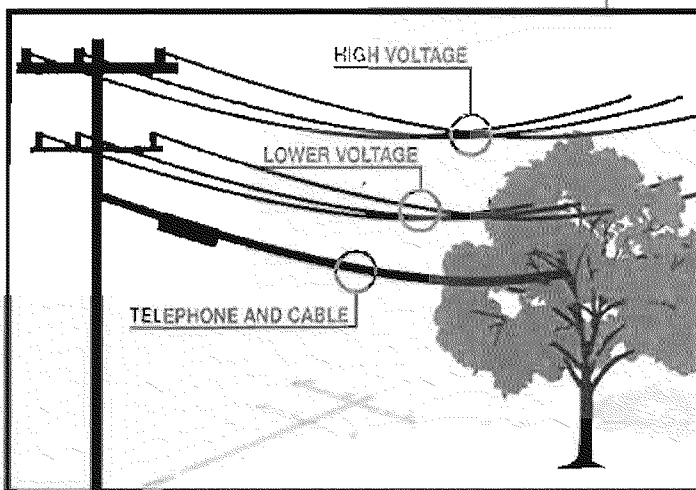
Lower the total cost of your new home by cutting energy bills \$200-\$400 every year. Get a handy video and brochure, maps to nearby energy-efficient developments plus valuable coupons for products and services.

Call **1.800.474.3468** or visit pge.com/newhomes



Why we trim trees and ways you can help

- **It's the Law.** State law requires PG&E to keep clearances between high-voltage power lines and all vegetation.
- **For Public Safety.** Maintaining required clearances keep people safe from injury if they climb or work in trees located near power lines.
- **For Fire Safety.** Trimming trees to maintain required clearances prevents them from touching high-voltage power lines, which can start fires. Lower voltage lines, such as phone and cable TV lines, that are installed lower on the utility pole, don't require clearing because they present little or no fire hazard.
- **To Reduce Outages.** Trimming trees to maintain required clearances reduce outages caused by falling branches.



Ways You Can Help

- Allow PG&E access to trees when trimming is necessary*.
- Don't plant trees under or near overhead power lines.
- Clear flammable vegetation from around your home.
- Never trim trees near high voltage power lines yourself. Call us first at **1.800.PGE.5000**.