From: Prosper, Terrie D.

Sent: 10/26/2012 12:23:21 PM

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Subject: CPUC Urges Parties to PG&E Pipeline Cases to Continue Talks; Withdraws

Mediator: CPUC Press Release

FOR IMMEDIATE RELEASE PRESS RELEASE

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CPUC URGES PARTIES TO PG&E PIPELINE CASES TO CONTINUE TALKS; WITHDRAWS MEDIATOR

SAN FRANCISCO, October 26, 2012 -- The California Public Utilities Commission (CPUC) today said that it and former Senator George Mitchell have determined that Senator Mitchell will not mediate talks aimed at resolving a series of enforcement cases against Pacific Gas and Electric Company (PG&E) regarding the natural gas pipeline explosion in San Bruno, Calif., on September 9, 2010.

The appointment of former Senator Mitchell was announced last week by CPUC President Michael R. Peevey and Commissioner Mike Florio, who are presiding over a series of enforcement cases now pending before the five-member CPUC. Senator Mitchell's appointment was supported by the CPUC's enforcement staff, but was protested by parties who did not want to participate in mediation. The CPUC said that while it would like to see talks occur, it is clear that the parties must be supportive of the mediation and the mediator.

"We remain very grateful to Senator Mitchell for his willingness to step in and try to resolve, by stipulated agreement, these cases triggered by the tragedy in San Bruno," said President Peevey. "Senator Mitchell is arguably the greatest mediator in the world today, and it is regrettable that some of the parties did not appreciate the opportunity we afforded them to work with a man who is a true peacemaker. The San Bruno investigation and regulatory proceedings have gone on for more than two years. Unless a stipulation can be reached, I am worried it might take until mid-next year before these cases can be concluded in the normal litigation manner. We want justice and remedies much sooner than that, to get closure and true justice for the people of San Bruno."

Commissioner Florio added, "We are responding to the concerns of the parties about the appointment of Senator Mitchell. It's important to recognize that nobody opposed Senator Mitchell himself, or questioned his integrity or his abilities as a mediator. What seemed to prompt the concern was simply the way we decided to appoint him, without prior consultation with the parties."

President Peevey and Commissioner Florio urge the parties to continue their ongoing negotiations designed to bring a stipulation before the CPUC for its consideration in the near future.

If a stipulation is reached among the parties, the CPUC's rules require that it be publicly filed with the CPUC, and then considered by the five-member CPUC in public session.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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California Public Utilities Commission

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