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PG&E FILES GAS TRANSMISSION AND STORAGE RATE CASE

Utility Proposes Three-Year Plan to Continue Maintaining and Modernizing its Gas System to Meet Tougher Safety Standards and Goals

SAN FRANCISCO, Calif.—Pacific Gas and Electric Company (PG&E) today provided state regulators with its comprehensive proposal for 2015-17 to continue maintaining and modernizing its approximately 6,750 miles of gas transmission pipelines and extensive storage facilities, which serve more than 4.4 million customers over an area of 70,000 square miles.

The plan expands on the utility's current program to comprehensively test, inspect, and upgrade the safety of its gas infrastructure. It will help meet some of the toughest new state safety standards in the country, now required of all California gas pipeline operators.

"Our plan to invest in 21st century infrastructure will serve customers by helping PG&E become one of the safest and most reliable gas utilities in the country," said Nick Stavropoulos, Executive Vice President of PG&E for Gas Operations. "Our detailed filing identifies the risks, sets clear priorities, and lays out the work that needs to be done to modernize our system to meet some of the strictest safety standards in the nation."

PG&E's proposal includes detailed plans to:

- Replace vintage pipelines that could be at risk from land movements
- Continue testing pipelines to verify safe operating pressures
- Continue controlling corrosion to avoid underground leaks
- Install more automated and remotely operated safety valves to quickly turn off gas in case of an emergency
- Inspect the interior of more pipelines to detect and repair hidden flaws
- Strengthen levee and water crossings
- Maintain underground gas storage facilities that help meet demand on cold days

• Modernize infrastructure control systems, databases, and risk analysis programs

"Over three years, this immense infrastructure program will support a great many skilled, well-paying jobs," said Tom Dalzell, business manager of IBEW Local 1245, which represents most of PG&E's gas workers. "In addition to it being a win for the safety, comfort and convenience of PG&E's customers, this plan is a win for California's economy."

PG&E is requesting a total of \$1.29 billion in revenue for its proposed work in 2015, to support an increase in spending of 13 percent compared to the total forecasted for 2014. For the typical residential customer, this work would cost about \$5.23 more each month, or about 17 cents more a day, in 2015. The monthly increase is less than a couple gallons of gasoline or a pound of coffee. For business customers, increases would depend on the type of service they receive.

For more information, visit www.pge.com/seeourplan.

Pacific Gas and Electric Company, a subsidiary of <u>PG&E Corporation</u> (NYSE:PCG), is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with 20,000 employees, the company delivers some of the nation's cleanest energy to 15 million people in Northern and Central California. For more information, visit http://www.pge.com/about/newsroom/ and www.pgecurrents.com.