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Sent: 3/27/2014 1:52:25 PM  
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Cc:  
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Subject: Fw: News Release: PG&E EXPECTS CRIMINAL CHARGES IN CONNECTION WITH SAN BRUNO ACCIDENT; PLEDGES CONTINUED COMMITMENT TO SAFETY

From: [Redacted]  
Sent: Thursday, March 27, 2014 01:49 PM  
Subject: News Release: PG&E EXPECTS CRIMINAL CHARGES IN CONNECTION WITH SAN BRUNO ACCIDENT; PLEDGES CONTINUED COMMITMENT TO SAFETY

Broadcast: Video Statement and B-Roll Available Upon Request

**PG&E EXPECTS CRIMINAL CHARGES IN CONNECTION WITH SAN BRUNO ACCIDENT; PLEDGES CONTINUED COMMITMENT TO SAFETY**

*We've learned the tragic lesson of San Bruno that safety must always come first*

**SAN FRANCISCO, Calif.**—PG&E Corporation (NYSE: PCG) and its subsidiary, Pacific Gas and Electric Company (PG&E), today filed a disclosure document with the Securities and Exchange Commission reporting that they expect that the federal government will bring criminal charges against the utility in connection with the 2010 San Bruno natural gas transmission pipeline accident.

The company has been in discussions with the U.S. Attorney's Office in an effort to reach a fair resolution of the federal investigation related to San Bruno. PG&E welcomes continued dialogue toward a resolution, but now expects that the U.S. Attorney will charge that PG&E's past operating practices violated the federal Pipeline Safety Act in areas such as record keeping, pipeline integrity management and identification of pipeline threats.

PG&E Chairman and CEO Tony Earley, who was brought in to lead PG&E in 2011 after the San Bruno accident, said:

“San Bruno was a tragic accident that caused a great deal of pain for many people. We're accountable

for that and make no excuses. Most of all, we are deeply sorry. We have worked hard to do the right thing for victims, their families and the community, and we will continue to do so. We've learned the tragic lesson of San Bruno that safety must always come first. Toward this end, we've implemented enormous change here at PG&E. We're working to transform this 100-plus-year-old natural gas system into the safest and most reliable in America. In support of this, we've committed \$2.7 billion of shareholders' money to date and we're making excellent operational progress. We have more work to do and we intend to do it right."

PG&E believes that criminal charges are not merited and that PG&E employees did not intentionally violate the federal Pipeline Safety Act. The company believes that, even where mistakes were made, employees were acting in good faith to provide customers with safe, reliable, affordable, clean energy. The company pledged to maintain its strong focus on safety during what is expected to be a lengthy legal process.

### **Progress since San Bruno Accident**

Following the San Bruno accident, California adopted new pipeline safety standards that are the most rigorous in the nation. PG&E is making excellent progress toward meeting or exceeding these new standards as well as toward completing implementation of recommendations by the National Transportation Safety Board.

Among the actions the company has taken are:

- Committed to spend \$2.7 billion of shareholder money to fund safety-related work
- Completed nine of the 12 safety recommendations made by the National Transportation Safety Board; of the three remaining recommendations, the NTSB considers PG&E's progress "open-acceptable response," which means acceptable pending completion
- Opened a state-of-the art gas control center in August 2013
- Validated the maximum allowable operating pressure for all 6,750 miles of gas transmission pipelines
- Converted more than 3.5 million paper records going back 50 years and added them to PG&E's new Geographic Information System so field technicians have improved access to data
- Strength-tested or validated prior strength testing for 657 miles of transmission pipeline
- Replaced 127 miles of pipeline
- Retrofitted 268 miles of pipeline to accommodate in-line inspections
- Installed 134 automated valves on gas transmission pipelines

In addition, PG&E made structural changes, separating the gas and electric businesses to ensure an appropriate focus on safety, and brought in a new management team to run the gas operations business.

The company has settled claims amounting to nearly \$500 million with the victims and families of the San Bruno accident, established a \$50 million trust for the City of San Bruno for costs related to recovery and contributed \$70 million to support the city's and community's recovery efforts.

For additional information and ongoing updates on this issue, please visit [www.PGResponds.com](http://www.PGResponds.com).

### **About PG&E**

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation (NYSE:PCG), is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with more than 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 [www.pge.com/](http://www.pge.com/) <http://www.pge.com/about/newsroom/>.

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Corporate Relations  
Pacific Gas and Electric Company

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