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PG&E GAS EXECUTIVE, INDUSTRY LEADERS MEET WITH U.S. DEPARTMENT OF ENERGY AND OBAMA ADMINISTRATION

California's Largest Utility Announces Actions to Reduce Methane Emissions

WASHINGTON, D.C. and SAN FRANCISCO, Calif. – At The White House today, the U.S. Department of Energy (DOE), along with leaders from Pacific Gas and Electric Company (PG&E) and other natural gas companies, presented plans aimed at reducing methane emissions and curbing climate change.

PG&E Executive Vice President Nick Stavropoulos participated in the discussion and outlined the company's actions to concurrently enhance public safety, protect the environment and create jobs. PG&E – which operates the second largest gas transmission and distribution system in the country – plans to accomplish the following goals:

- Complete system-wide replacement of cast iron pipe by the end of 2014
- Reach near-zero leaks in the backlog by the end of 2014
- Double service replacements by 2015

In order to meet these commitments, Stavropoulos also discussed the importance of building a skilled workforce. As a major employer in California with more than 20,000 employees, PG&E is also stepping up efforts to recruit military veterans through its signature PowerPathway™ workforce training program. The program, recognized by President Obama earlier this year, is focused on finding a place to apply the leadership skills and experiences U.S. veterans learned in the military.

In recent years, the utility has made significant progress in finding and fixing natural gas leaks on its 80,000-mile transmission and distribution gas system, including a 99 percent reduction in non-hazardous, workable leaks to only 151 in the backlog last year. PG&E was the first utility in the country to test and deploy the industry's most sophisticated car-mounted leak detection system, which is a 1,000 times more sensitive than traditional equipment. This technology is being expanded and rolled out system-wide. Crews now are able to find 80 percent more leaks using this device, and the company is responding by accelerating repairs and increasing pipe replacement.

Stavropoulos said, "Any time we can work together to reduce our impact on the environment, it's better for our customers and the communities we serve. PG&E shares the industry's deep interest in continuing the declining trend in emissions from our pipeline network and we're finding and fixing leaks faster than ever before."

The White House, in its <u>Climate Action Plan</u> released on March 28, 2014, credited PG&E with being one of a few select gas utilities nationwide "collaborating to address key technical and regulatory factors affecting methane emission reduction opportunities from natural gas distribution systems." PG&E is one of five members of the Natural Gas Downstream Initiative, which is focusing on reducing methane leaks by encouraging investments in infrastructure, modernizing gas systems and using next generation technologies. On the research side, PG&E is also partnering with other gas utilities and the American Gas Association in a study by the Environmental Defense Fund and Washington State University to measure gas emissions from distribution pipelines.

PG&E has implemented one of the most comprehensive gas pipeline modernization programs in the nation and recently earned two prestigious international safety-focused asset management certifications for its gas operations. PG&E is one of the first utilities in the world to hold both the International Organization for Standardization (ISO) 55001: 2014 and Publicly Available Specification (PAS) 55-1: 2008 certifications. The certifications were awarded by the independent, internationally recognized auditor, Lloyd's Register, in May 2014.

About PG&E

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 more than 20,000 employees, the company delivers some of the nation's cleanest energy to nearly 16 million people in Northern and Central California. For more information, visit www.pge.com/ and http://www.pge.com/about/newsroom/.



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