

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company to Determine Violations of Public Utilities Code Section 451, General Order 112, and Other Applicable Standards, Laws, Rules and Regulations in Connection with the San Bruno Explosion and Fire on September 9, 2010.

I.12-01-007  
(Filed January 12, 2012)  
(Not consolidated)

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company with Respect to Facilities Records for its Natural Gas Transmission System Pipelines.

I.11-02-016  
(Filed February 24, 2011)  
(Not Consolidated)

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company's Natural Gas Transmission Pipeline System in Locations with Higher Population Density.

I.11-11-009  
(Filed November 10, 2011)  
(Not Consolidated)

**RESPONSE OF THE UTILITY REFORM NETWORK  
TO THE MOTION OF THE CITY OF SAN BRUNO SEEKING THE  
RECUSAL OF PRESIDENT PEEVEY**



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August 12, 2014

The Utility Reform Network (TURN) submits this Response in strong support of the Motion of the City of San Bruno (San Bruno) seeking the recusal of President Peevey from these cases.

As San Bruno demonstrates, the e-mails revealed by San Bruno's public records request show without question that President Peevey and his staff have evidenced at least an appearance of bias in connection with these adjudicatory proceedings. Among other things, the e-mails show a regular back channel of communication between PG&E high-level officials, on the one hand, and President Peevey and his senior advisors on the other hand. Rather than require PG&E to cease its violative ex parte communications in these adjudicatory cases,<sup>1</sup> President Peevey's office responded to, encouraged, and even initiated these improper communications over an extended period of time. President Peevey's willingness to participate in such improper communications constitutes irrefutable evidence of at least an appearance of bias, necessitating recusal.

The improper communications cannot be defended as oversight of PG&E in the wake of the San Bruno catastrophe. Oversight is of course necessary and appropriate, but in these adjudicatory cases, communications between PG&E and President Peevey regarding substantive issues in the cases could and should have been conducted in the open, so that all parties could have an opportunity to review and respond to them in the record of the proceeding. Such transparent oversight would have been at least as effective as back channel communications in setting the right oversight tone with PG&E, and would have had the added benefit of allowing the public to observe the Commission's full oversight efforts. Instead, by keeping these

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<sup>1</sup> See TURN's contemporaneously filed Response to the Motion for an Order to Show Cause Regarding Ex Parte Violations, for TURN's discussion showing that the e-mails plainly constitute improper ex parte communications.

communications secret, President Peevey's office created at least the appearance of bias by being willing to look the other way when PG&E was clearly violating the ex parte rules.

In light of the fact that a Presiding Office Decision will soon be released, TURN recommends that a draft decision ordering the disqualification of President Peevey be prepared for a Commission vote as soon as possible.

Dated: August 12, 2014

Respectfully submitted,

By: \_\_\_\_\_/s/\_\_\_\_\_  
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