



California Public Utilities Commission

505 Van Ness Avenue, San Francisco, CA 94102

Press Release

FOR IMMEDIATE RELEASE

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PUC ORDERS PG&E TO REFUND CUSTOMERS \$35 MILLION FOR VIOLATING BILLING RULES

SAN FRANCISCO, September 20, 2007 - The California Public Utilities Commission (PUC) today ruled that Pacific Gas and Electric Company (PG&E) violated PUC billing rules and ordered the utility to refund approximately \$35 million to consumers for unauthorized charges; to refund reconnection fees with interest; and to pay credits to certain customers whose service was shut off for nonpayment of illegal back-bills. The PUC's order requires the utility to begin the refund process immediately.

The PUC determined that PG&E systematically back-billed customers due to delayed bills and estimated bills when the cause for the estimation was within PG&E's control to fix. PG&E also regularly estimated bills and/or failed to bill customers from 2000-2005 despite PUC and tariff rules requiring the utility to issue bills at regular intervals based on actual metering data.

Increases in PG&E's delayed and estimated bills have been associated with an upgrade to its billing system.

The violations found in the PUC's investigation affected more than 157,000 residential customers who received illegal back-bills related to delayed bills from January 2000 to April 2005, and roughly 73,000 residential customers received illegal back-bills related to estimated bills from October 2001-April 2005.

"Today's decision emphasizes that we will not tolerate violations of our rules to protect consumers from unauthorized charges," according to Commissioner Dian M. Grueneich. "PG&E shareholders, not ratepayers, must bear the burden of mistakes in PG&E's billing system."

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

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