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PRESS RELEASE

Docket #: A.13-12-012

CPUC FINES PG&E \$1.05 MILLION, ORDERS CONSUMER REPARATIONS, AND IMPOSES EX PARTE RESTRICTIONS

SAN FRANCISCO, November 20, 2014 – The California Public Utilities Commission (CPUC) issued an order today in response to Pacific Gas and Electric Company’s (PG&E) September 15, 2014, disclosure of approximately 20 emails from January 2014 regarding the assignment of an Administrative Law Judge in PG&E’s Gas Transmission and Storage rate case, in violation of the CPUC’s Rules of Practice and Procedure.

The order issued today fines PG&E \$1.05 million for ex parte violations; requires PG&E shareholders to cover the cost of reparations to their gas customers for the rate impacts of the delay caused by PG&E’s inappropriate actions in this case (the exact amount will be determined in the final decision in this case but is estimated not to exceed \$400 million); and modifies certain ex parte restrictions on PG&E imposed by the law and motion Administrative Law Judge, retaining a one-year ban on individual communications outside of all-party meetings for all ratesetting proceedings and requiring certain other reporting of contacts with CPUC senior management.

Prior to today’s decision, to avoid any appearance of impropriety and interference, the Chief Administrative Law Judge had reassigned the Gas Transmission and Storage case to a new Administrative Law Judge, though no party has suggested that the previously assigned Administrative Law Judge had been influenced or acted improperly in any way. Hearings scheduled for October 2014 were postponed to January 2015 and will be heard by the new assigned Administrative Law Judge.

The decision adopted today was authored by Commissioner Carla J. Peterman, the assigned

Commissioner in the Gas Transmission and Storage case, and supported unanimously by the two Commissioners voting on the item. CPUC President Michael R. Peevey and Commissioner Mike Florio have recused themselves in the case and did not participate in the discussion or vote on the matter.

“Through this decision, we continue to send a signal to PG&E that we expect full compliance and appropriate respect for the CPUC’s processes and its staff, as well as fair treatment to its consumers,” said Commissioner Peterman. “It is my hope that we can move on to a fair and balanced consideration of the appropriate investments that PG&E needs to make in its gas transmission and storage systems moving forward.”

The decision adopted today applies specifically and only to the disclosures of September 15, 2014, in this proceeding. The decision also explicitly acknowledges that it does not limit the CPUC’s or other parties’ ability to conduct further discovery in this and other cases, nor does it limit the CPUC’s ability to impose further sanctions should additional rule violations come to light.

The proposal voted on is available at:

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M142/K997/142997655.PDF>.

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