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PRESS RELEASE

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**CPUC ORDERS PG&E TO TAKE SPECIFIC ACTION RELATED TO
SAN BRUNO EXPLOSION, INCLUDING INSPECTION
OF NATURAL GAS SYSTEM**

SAN FRANCISCO, September 12, 2010 – The California Public Utilities Commission (CPUC) today said it will order Pacific Gas and Electric Company (PG&E) to inspect its natural gas system as a result of the explosion in San Bruno on Sept. 9, 2010.

The CPUC received a letter yesterday from Acting Governor Maldonado asking the CPUC to order PG&E to, among other things, conduct an integrity assessment of its natural gas pipeline system.

Said CPUC President Michael R. Peevey, “I thank Acting Governor Maldonado and want to assure him, the Governor, and the residents in PG&E’s service territory that we are taking immediate action. I intend to appoint an independent expert panel to assist in our investigation. In addition, we will direct PG&E to immediately begin an inspection of its natural gas transmission system, as well as to take other immediate actions to ensure safety and to assist in our investigation.”

The CPUC will direct PG&E to:

- Conduct leak surveys on all natural gas lines, giving priority to transmission (higher pressure) pipelines, and to Class 3 and Class 4 segments of such lines (i.e., those in areas of highest population density), and keep the affected segment of Line 132 out of service until the CPUC directs otherwise.
- Preserve all records and accident reports from the San Bruno incident, including work at the Milpitas Terminal during the month of September 2010, and ensure that all PG&E employees and contractors are available for interviews with federal and state investigators, including any requested examinations under oath. PG&E should

also retain all records of work performed by PG&E or its contractors on Line 132 in the City of San Bruno.

- Review and report the classification of their natural gas transmission lines and determine if the classification has changed since the initial designation.
- Report immediately to the CPUC on procedures for responding to gas leak reports, and provide specific data on all leak reports and PG&E's response for a recent period, system-wide, and in the affected area.
- Investigate and report to the CPUC on PG&E's authorized versus actual levels of spending on pipeline safety and pipeline replacements from 2005 to the present.

The CPUC is entrusted with safety jurisdiction for gas pipeline systems in the state by legislative mandate. The CPUC is working side-by side with the National Transportation Safety Board, the lead investigator, to determine the cause of the San Bruno explosion. The CPUC has established a toll-free number and an email address for anyone who has information on a natural gas smell in the San Bruno area in the weeks before Sept. 9, 2010. The number is 800-789-0550 and the email address is SBFire@cpuc.ca.gov.

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

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