

California Public Utilities Commission
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PRESS RELEASE

Docket #: Res ALJ-

R.11-02-019

CPUC AFFIRMS CITATION AND FINE AGAINST PG&E

SAN FRANCISCO, April 19, 2012 - The California Public Utilities Commission (CPUC) today reaffirmed its staff directive that PG&E pay a citation of \$16.76 million for the utility's failure to conduct gas safety tests in Contra Costa County, and, separately, fined PG&E \$3 million for failure to comply with a CPUC pipeline records search. The fines ordered today are payable to the state's General Fund from PG&E shareholders.

The \$16.76 million citation was issued by the CPUC's Consumer Protection and Safety Division (CPSD) on January 27, 2012. CPSD issued the citation for PG&E's failure to conduct gas leak detection surveys in seven cities in Contra Costa County. The missed surveys involved some facilities installed as far back as 1993. PG&E appealed the citation on February 1, 2012. The appeal was heard by a CPUC Administrative Law Judge, who denied the appeal and directed PG&E to pay the citation. Today, the CPUC's Commissioners adopted the Judge's decision denying the appeal and ordering PG&E to pay the citation.

Separately, the CPUC fined PG&E \$3 million for failure to comply with a CPUC pipeline records search directive. On March 24, 2011, the CPUC approved an Order to Show Cause directing PG&E to appear at a hearing to show why it should not be found in contempt and fined. The Order to Show Cause set a hearing for PG&E to present evidence. The CPUC's Commissioners approved the \$3 million fine today. The CPUC's penalty consideration case into whether PG&E's gas transmission pipeline recordkeeping violated the law, and if so whether deficient recordkeeping caused or contributed to a pipeline rupture in San Bruno, Calif., on Sept. 9, 2010, is a separate matter and is ongoing.

The citation proposal voted on is available at

http://docs.cpuc.ca.gov/WORD_PDF/AGENDA_RESOLUTION/164349.pdf. The Order to Show

Cause proposal voted on is available at

http://docs.cpuc.ca.gov/word_pdf/AGENDA_DECISION/163869.pdf.

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