

SAN MATEO COUNTY CITY MANAGER'S ASSOCIATION

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October 28, 2013

Anthony F. Earley Jr.
Chief Executive Officer
Pacific Gas and Electric Corporation
Mail Code B32
P.O. Box 770000
San Francisco, CA 94177

RE: PG&E Gas Transmission Line Safety

Dear Mr. Earley:

On behalf of the San Mateo County City Managers' Association comprised of the City Managers of the 20 cities in San Mateo County, I am writing to share our deep concern over public safety and communication issues concerning Pacific Gas & Electric Co. (PG&E) and its gas transmission lines in our County and most likely throughout the State of California.

Recently, the City of San Carlos declared a State of Emergency and a judge ordered PG&E to shut down Line 147 that was discovered to have deficiencies similar to those identified following the explosion of Line 132 in San Bruno. Issues associated with the safety of Line 147 and PG&E's compliance with existing California Public Utilities Commission (CPUC) regulations are now the subject of an Order to Show Cause proceeding through the CPUC.

It concerns us that it took 11 months for PG&E to inform San Carlos officials of the pipeline's potential dangers, which a PG&E engineer likened to "another San Bruno situation." It is our impression that PG&E did not believe that sharing information about this potentially dangerous situation was important. Of equal concern is that the CPUC, which serves as a public watch dog and regulator, failed as well to disclose this situation to San Carlos and to the County of San Mateo.

Each of the 20 cities in San Mateo County deserves to know about any potential threat the utility infrastructure in our communities may pose to our residents. This is not just a matter of common sense or regulatory requirements, but a matter of honesty and transparency that should be the standard for PG&E's corporate mission.

The tragedy that occurred in San Bruno in 2010--and this recent incident in San Carlos--leads us as City Managers, in the interest of the safety of our citizens, to urgently request PG&E's immediate action to work with each of our cities to provide a full accounting of the gas

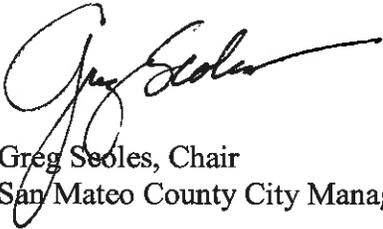
transmission lines, their exact locations, and all materials and internal documents regarding the safety evaluations of those pipelines.

We are specifically asking that PG&E meet with our association to discuss our concerns in a format of our choosing. To be effective, this must be a 2-way meeting, not merely a presentation or description of why PG&E believes what it is doing is correct. We believe it is critical that PG&E makes safety-related information and its pipeline technical experts available for the discussion. Going forward, we are also asking that PG&E commits to recognizing cities as partners in safety and to take the cities' input into account when making operational decisions.

We wish to restore a relationship of trust with PG&E, but we must now also verify that PG&E is providing our communities with complete and accurate information. Therefore, in order to assure that our cities are adequately informed, we will also be asking that the California Public Utilities Commission, in its role as the regulator whose job it is to protect the public interest and safety, provide us with any knowledge, documents or other information that it possesses about the safety of gas transmission lines located in our individual communities.

We look forward to your response and to your immediate action to engage us in meaningful communication so that together we can assure our residents are protected and that they know the facts about PG&E's gas transmission line safety.

Sincerely,



Greg Seoles, Chair
San Mateo County City Managers Association

C: Senator Jerry Hill
California PUC
San Mateo County Board of Supervisors
San Mateo County Mayors and Councilmembers
San Mateo County Manager
San Mateo County City Managers