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The Honorable Jerry Hill, Chair
Subcommittee on Gas and Electric Infrastructure Safety
State Capitol, Room 5064
Sacramento, CA 95814

Dear Senator Hill:

On behalf of Pacific Gas and Electric Company (PG&E), I am writing to you today as a follow up to the Senate Subcommittee on Gas and Electric Infrastructure Safety hearing you convened on November 18, 2013.

During the course of subcommittee dialogue, you asked our witness Papia Gambelin to clarify statements made at the November 15, 2013, meeting of the San Mateo City Managers Association. As you are aware, you raised this issue in your November 7, 2013, letter to our Chairman and CEO Tony Earley. In his response to you, Tony noted that we did not agree with the suggestion made by the City of San Bruno, and subsequently the City of San Carlos, for an independent monitor. We continue to have that opinion and would point out that the California Public Utilities Commission (CPUC) is vested with the authority and responsibility to oversee and regulate our gas system operations. The CPUC continues to prove itself both a vigilant and rigorous regulator of the state's natural gas system, most recently evidenced by its penalty proceedings against PG&E related to reporting of issues involving Line 147.

In the discussions with the city managers, our representative misinterpreted the question regarding our support for an independent monitor and instead was referring to the work that was recently concluded at the direction of the PG&E Board of Directors relative to an independent review of the circumstances surrounding the reporting of information to the CPUC relative to Line 147 in San Carlos.

As we've discussed previously, it's clear that PG&E has work to do in rebuilding trust with some of the communities we serve. One way we are doing so is by being transparent in our efforts to build the safest gas system in the country. This work, as well as the frequent updates to you and other members of the community, clearly demonstrates that it is a new day at PG&E.

Thank you for joining us in the commitment to the safe operation of the PG&E gas system. We look forward to updating your committee on communication with local governments and other work we are doing to create the safest and most reliable gas system in the country.

Sincerely,

A handwritten signature in black ink that reads 'Edward T. Bedwell'. The signature is written in a cursive style with a large initial 'E'.