PG&E Corporation

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Investor Meetings

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Cautionary Language Regarding Forward-Looking Statements

This presentation contains forward-looking statements regarding the anticipated outcome and timing of various regulatory proceedings involving Pacific Gas and Electric Company ("Utility"), estimated losses and future insurance recoveries associated with the natural gas explosion and fire that occurred in a residential area of San Bruno, California on September 9, 2010 ("San Bruno Accident"), and forecasts of equity and debt financing for 2011. These statements are based on various assumptions and management's current knowledge of relevant facts. Actual results could differ materially based on various factors, including:

- the outcome of pending and future regulatory or legislative proceedings or investigations, including the investigations by the National Transportation Safety Board ("NTSB") and the California Public Utilities Commission ("CPUC") into the cause of the San Bruno Accident and the safety of the Utility's natural gas transmission pipelines in its northern and central California service territory, the CPUC's investigation into the natural gas explosion and fire that occurred on December 24, 2008 in a residential home in Rancho Cordova, California, and whether the Utility is required to pay penalties, fines, or incur costs to comply with regulatory or legislative mandates that it is unable to recover through rates or insurance;
- the extent to which PG&E Corporation or the Utility incurs costs in connection with third-party claims or litigation, including those arising from the San Bruno Accident, that are not recoverable through insurance, rates, or from other third parties;
- the ability of PG&E Corporation, the Utility, and counterparties to access capital markets and other sources of credit in a timely manner on acceptable terms; and
- other factors and risks discussed in PG&E Corporation and the Utility's 2009 Annual Report on Form 10-K and other reports filed with the Securities and Exchange Commission.



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2011 General Rate Case

Sets revenue requirements for Gas and Electric Distribution and Electric Generation businesses for 2011 – 2013

No opposition to settlement between PG&E and nearly all active parties, subject to CPUC approval

2011 Settlement revenue requirement: $6.0B

	$ in millions
Settlement Revenue Requirement Increase	$395
Costs Moved to Separate Balancing Account Recovery	$113
Costs Subject to Recovery in Other Proceedings	$30
Costs Subject to Litigation in the GRC	$44
Subtotal Including Costs Subject to Litigation or Separate Recovery	$582

Average annual capital expenditures: $2.2 - $2.3B

Attrition revenues: $180M and $185M for 2012 and 2013

Final decision expected Q1 2011

2011 Gas Transmission and Storage Rate Case

Sets revenue requirements, rates, terms and conditions for PG&E's Gas Transmission and Storage services for 2011 – 2014

PG&E and all but one of the active parties are seeking approval of a settlement agreement

Settlement revenue requirement: $514M for 2011

- **$52M increase over 2010**
- **$174M average annual capital expenditures**

Attrition revenues: $27M, $24M, and $17M for 2012, 2013 and 2014

CPUC added a new phase to the case to address pipeline safety measures and emergency response procedures to ensure the safety and reliability of the GT&S system

Final decision expected by Q1 2011
New safety phase timing is TBD

Manzana Wind Project

Request to acquire, own, and operate the 189 - 246MW Manzana wind project in the Tehachapi region of Southern California

Request: $900M capital at 246MW capacity

Manzana Wind Project would be designed, developed, and constructed by Iberdrola Renewables, Inc.

- **PG&E proposes to make progress payments throughout construction and take full ownership at completion**
- **Final size of the project would depend upon permitting requirements, land rights acquisition and turbine supply**

Awaiting proposed decision

FERC TO13 Filing

Sets revenue requirements for PG&E's Electric Transmission business in 2011

Revenue Requirement Request: $1.026B
Capital Expenditures: $810M

If approved, revenues would provide for additional transmission capacity and increased maintenance and replacement work on substations to improve overall reliability of our system

	Request	Settlement	
TO 10	$760.5M	$718M	
TO 11	$845.0M	$776M	
TO 12	$946.0M	$875M	- Approved on 7/27/10

TO13 final decision expected by Q3 2011

Energy Efficiency Incentives

PG&E received incentive payments in 2008 & 2009 totaling $75 million (pre-tax) for savings achieved in the 2006-2008 program cycle

Three proposed decisions have been issued for the final incentive payment for 2006-2008 program savings

ALJ Pulsifer Proposed Decision (PD) - $0 million award
Commissioner Peevey Alternate PD - $29 million award
Commissioner Bohn Alternate PD - $40 million award

Final decision expected by end of 2010

2011 Financing Needs

Capital Structure: 52% Equity and 48% Debt

Internal Equity Sources

401(k) and DRIP Programs
~$200 million each year

External Equity

Equity Dribble Program initiated November 2010
Up to $400 million through 2011

2011 Utility Debt Financing

Forecasted need in excess of $1 billion
(including debt maturities of $500 million)

San Bruno Update

NTSB released preliminary report in October

Final report expected in about a year, with possible interim reports

Completed aerial resurvey of all 6,700 miles of transmission mains

A full on-the-ground leak survey will be completed by year end

Proposed Pipeline 2020 initiative

Explore industry modernization, improve pipeline management practices, and enhance coordination with public agencies

Complying with CPUC requests for information

Gas leak calls, possible valve automation, actual vs. authorized spending

San Bruno Financial Impact

Range of Estimates:
$220 - $400 million for third-party claims
$100 - $150 million for direct costs

Pre-tax charge to GAAP income in Q3 2010 of $238 million includes $220 million accrual for third-party claims

Expect insurance will cover most third-party claims

Appendix



Key Regulatory Proceedings

Regulatory Case	Docket #	Expected Decision Date
Transmission Owner ("TO") 13 Rate Case	ER.10-2026-000	Final decision is requested in Q3 2011
Long Term Procurement Plan (LTPP)	R.10-05-006	Final decisions for Track I, II and III expected in 2011 or as appropriate
Nuclear Relicensing	A.10-01-022	Final decision is expected in Q2 2011
2011 General Rate Case ("GRC")	A.09-12-020	Final decision is expected in Q1 2011
Manzana Wind Project	A.09-12-002	Awaiting proposed decision
Request for New Generation Offers and Potential New Utility-Owned Generation	A.09-09-021 D.10-07-045	Final decision approving three contracts and denying the Oakley Generating Station - received on July 29, 2010
Gas Transmission & Storage Rate Case	A.09-09-013	Final decision is expected by Q1 2011
Energy Efficiency Order Instituting Rulemaking Post-2005	R.09-01-019 D.09-12-045	Final decision is requested in Q4 2010
SmartGrid OIR	R.08-12-009 D.10-06-047	Decision received on June 24, 2010 requiring the submission of SmartGrid deployment plans by July 2011; timing of subsequent rulemaking proceedings in 2010 and 2011 TBD
Order Instituting Investigation regarding the December 24, 2008 Accident in Rancho Cordova, California.	I.10-11-013	Schedule not yet adopted