PG&E Corporation

Fourth Quarter Earnings Call
February 16, 2012

This presentation is not complete without the accompanying statements made by management during the webcast conference call held on February 16, 2012. In addition, this presentation is complementary to the financial and other information contained in the exhibits attached to PG&E Corporation's Current Report on Form 8-K that was furnished to the Securities and Exchange Commission on February 16, 2012. The Form 8-K, attached exhibits, and replay of the conference call are available on PG&E Corporation's website at *www.pge-corp.com*

Safe Harbor Statement

This presentation contains forward-looking statements about management's guidance for PG&E Corporation's 2012 earnings per share and various assumptions and estimates on which such guidance is based, including forecasts of costs, capital expenditures, and future equity issuances, and estimated liabilities for penalties associated with natural gas matters, third-party liabilities associated with the September 9, 2010 natural gas pipeline accident in San Bruno, California, and environmental remediation. These statements are necessarily subject to various risks and uncertainties, the realization or resolution of which may be outside of management's control. Actual results may differ materially. Factors that could cause actual results to differ materially include:

- the outcome of pending and future investigations and regulatory proceedings related to the San Bruno accident, and the safety of the Utility's natural gas transmission pipelines in its service territory; the ultimate amount of costs the Utility incurs for natural gas matters that are not recovered through rates; the ultimate amount of third-party claims associated with the San Bruno accident that are not recovered through insurance; and the amount of any civil or criminal penalties the Utility may incur related to noncompliance with regulations, rules, and orders;
- whether PG&E Corporation and the Utility are able to repair the reputational harm they have suffered which, in part, will depend on their ability to adequately and timely respond to the findings and recommendations made by the NTSB and CPUC's independent review panel and cure the deficiencies that have been identified in the Utility's operating practices and procedures and corporate culture; developments that may occur in the various investigations of the San Bruno accident and natural gas matters; the decisions, findings, or orders issued in connection with these investigations, including the amount of civil or criminal penalties that may be imposed on the Utility, developments that may occur in the civil litigation related to the San Bruno accident; and the extent of service disruptions that may occur due to changes in pipeline pressure as the Utility continues to inspect and test pipelines;
- explosions, fires, accidents, mechanical breakdowns, equipment failures, human errors, labor disruptions, and similar events, as well as acts of terrorism, war, or vandalism, including cyber-attacks, that can cause unplanned outages, reduce generating output, disrupt the Utility's service to customers, or damage or disrupt the facilities operations, or information technology and systems owned by the Utility, its customers, or third parties on which the Utility relies, and subject the Utility to third-party claims for property damage or personal injury, or result in the imposition of civil, criminal, or regulatory penalties on the Utility;
- the impact of storms, tornados, floods, drought, earthquakes, tsunamis, wildland and other fires, pandemics, solar events, electromagnetic events, and other natural disasters, or that affect customer demand or that damage or disrupt the facilities, operations, or information technology and systems owned by the Utility, its customers, or third parties on which the Utility relies;
- the impact of federal or state laws or regulations, or their interpretation, on energy policy and the regulation of utilities and their holding companies, including how the CPUC interprets and enforces the financial and other conditions imposed on PG&E Corporation when it became the Utility's holding company, and whether the outcome of proceedings and investigations relating to the Utility's natural gas operations affects the Utility's ability to make distributions to PG&E Corporation in the form of dividends or share repurchases;
- whether the Utility's newly installed electric and gas SmartMeterTM devices and related software systems and wireless communications equipment continue to accurately and timely measure customer energy usage and generate billing information, and whether the Utility can continue to rely on third-party vendors and contractors to support the advanced metering system;
- whether the Utility is able to protect its information technology, operating systems and networks, including the advanced metering system infrastructure, from damage, disruption, or failure caused by cyber-attacks, computer viruses, and other hazards; and whether the Utility's security measures are sufficient to protect the confidential customer, vendor and financial data contained in such systems and networks from unauthorized access and disclosure;
    - the extent to which PG&E Corporation or the Utility incurs costs in connection with third-party claims or litigation, 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;
    - the impact of environmental remediation laws, regulations, and orders; the extent to which the Utility is able to recover compliance and remediation costs from third parties or through rates or insurance, and the ultimate amount of environmental remediation costs the Utility incurs in connection with its natural gas compressor station located near Hinkley, California which costs are not recoverable through insurance or rates;
    - and other factors and risks discussed in PG&E Corporation and the Utility's 2011 Annual Report to Shareholders and incorporated by reference into their combined Annual Report on Form 10-K for the year ended December 31, 2011.

Key Focus Areas

Resolve gas issues

- Move forward with gas work planned in 2012
- Work to resolve regulatory proceedings

Position company for success

- Conduct rigorous benchmarking
- Build culture of continuous improvement

Rebuild relationships with key stakeholders

- Provide excellent service
- Meet commitments to customers and regulators

Resolve Gas Issues

Gas Operations

- Completed work
  - Validated MAOP for 2000+ pipeline miles including all urban pipelines
  - Pressure tested ~160 miles

Regulatory Developments

- Three Investigations
  - Recordkeeping
  - Class Location
  - Gas Pipeline
- Staff Citation Authority
  - $16.8M for self-report of missing maps
- Rulemaking
  - No action on memo account
  - Hearings in March

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Increased 2012 Costs for Gas Work

Increase Over Prior Estimates: ~$120 million

Main Driver

Hydrostatic Testing Costs

- Short segments
- Access challenges
- Permitting/environmental issues

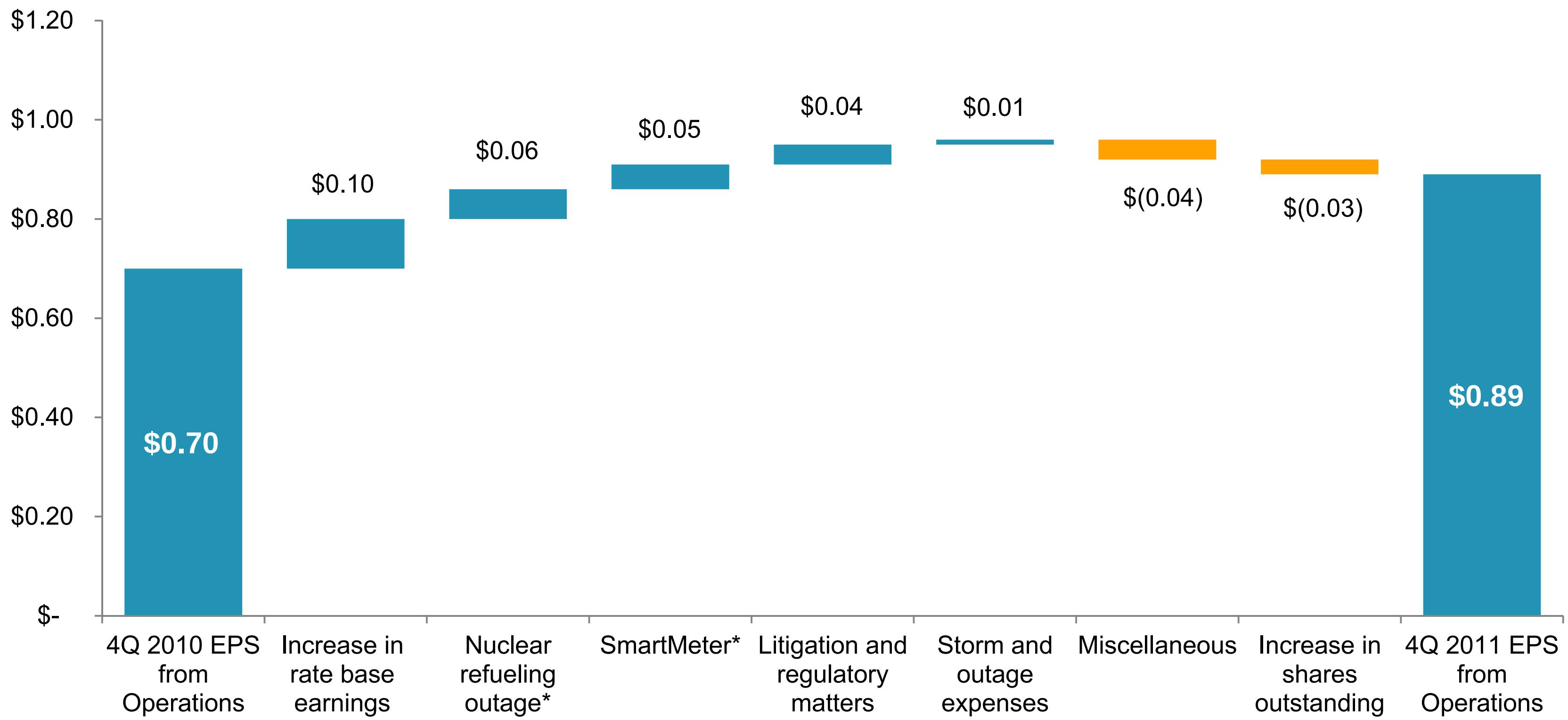
4Q 2011 Earnings Results

	4Q		2011	
	Earnings (millions)	EPS	Earnings (millions)	EPS
Earnings from Operations	$ 366	$ 0.89	$ 1,438	$ 3.58
Items Impacting Comparability				
Natural Gas Matters	(283)	(0.69)	(520)	(1.30)
Environmental-Related Costs	-	-	(74)	(0.18)
Earnings on a GAAP Basis	**$ 83**	**$ 0.20**	**$ 844**	**$ 2.10**

Natural Gas Matters
(millions, pre-tax)

	4Q 2011	2011
Pipeline-related costs	$ (180)	$ (483)
Penalties	(200)	(200)
Third-party liability claims	-	(155)
Insurance recoveries	39	99
Total	**$ (341)**	**$ (739)**

4Q 2011 Q over Q Comparison



*Costs incurred in 2010 with no similar costs in 2011

Earnings from Operations is not calculated in accordance with GAAP and excludes items impacting comparability.

2012 EPS Guidance Updates

	Low	High	
EPS from Operations	$ 3.10	$ 3.30	
Estimated Items Impacting Comparability			
Natural Gas Matters	(1.08)	(0.63)	Updated
Environmental-Related Costs	(0.14)	0.00	
Estimated EPS on a GAAP Basis	**$ 1.88**	**$ 2.67**	Updated

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2012 Gas Pipeline Related Costs

	Previous		Current		
PIPELINE WORK	PSEP	$230 million	Previous	$330-430 million	*+ strength testing costs*
	Non-PSEP	$100-200 million	Increase	$120 million	*+ carryover work*
	Total	*$330-430 million*	*Total*	*$450-550 million*	
PSEP RECOVERY	*Assumed PSEP approved as filed*		*Assumes PSEP not resolved until end of 2012*		
IIC GUIDANCE (GAAP Guidance)	**$100-200 million** (non-PSEP costs)		**$450-550 million** (PSEP & non-PSEP costs)		

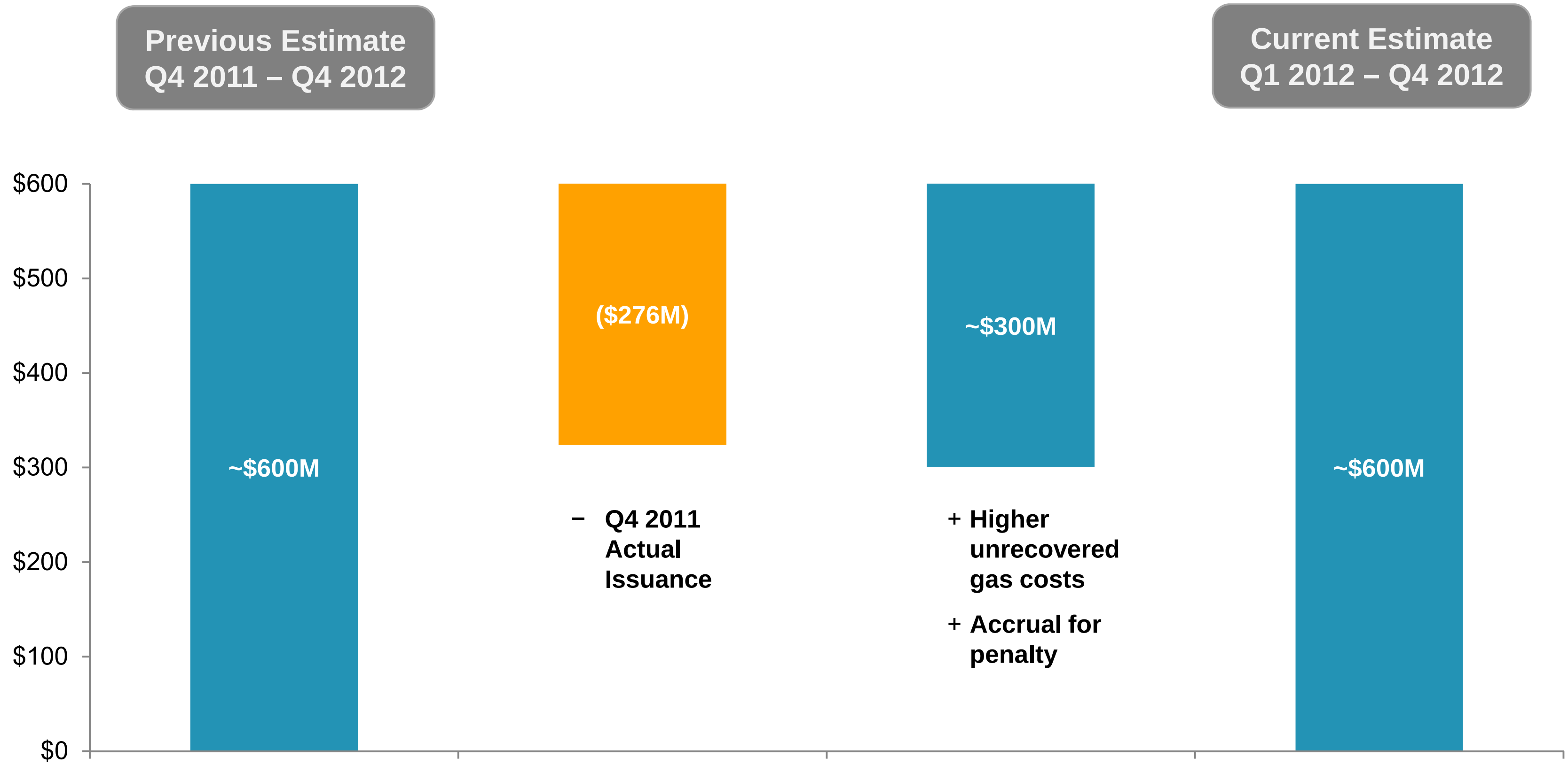
2012 EPS Guidance

	Low	High
EPS from Operations	$ 3.10	$ 3.30
Estimated Items Impacting Comparability		
Natural Gas Matters	(1.08)	(0.63)
Environmental-Related Costs	(0.14)	0.00
Estimated EPS on a GAAP Basis	**$ 1.88**	**$ 2.67**

Natural Gas Matters (millions, pre-tax)		
	Low guidance range	**High guidance range**
Pipeline-related costs	$ (550)	$ (450)
Penalties	-	-
Third-party liability claims	(225)	0
Insurance recoveries	-	-
Total	**$ (775)**	**$ (450)**

Includes full cost of PSEP in 2012, pending regulatory decision. The guidance range for 2012 does not include future insurance recoveries or potential penalties (other than those already accrued) or any potential punitive damages.

2012 Equity Issuance



2011: $686 million actual equity issued
2012: ~$600 million estimated equity need

APPENDIX

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Regulatory Calendar

Gas Pipeline Safety OIR R.11-02-019

- 1/31: Intervenor Testimony
- 2/28: PG&E Rebuttal Testimony
- 3/12-3/23: Hearings

Recordkeeping OII I. 11-02-016

- 3/5: Staff Report
- 4/5: Intervenor Testimony
- 6/25: PG&E Response
- 9/5-9/19: Evidentiary Hearings
- Mid-Nov: Case Submitted
- Dec/Jan: Presiding Officer's Decision
- Feb 2013: Presiding Officer's Decision Final

Class Location OII I. 11-11-009

- 2/3: Prehearing Conference
- 4/2: Filing to Update Outstanding Issues
- Mid-Apr: Prehearing Conference

Gas Pipeline OII I. 12-01-007

- 2/14: Prehearing Conference
- 3/16: CPSD Testimony
- 4/16: Intervenor Testimony
- 6/15: PG&E Testimony
- 8/10: CPSD Rebuttal Testimony
- Late Aug: Prehearing Conference #2
- 9/7: Discovery Cut-Off
- 9/17: Evidentiary Hearings Start

Assumptions for 2012 Guidance

Additional Expenses
($ millions)

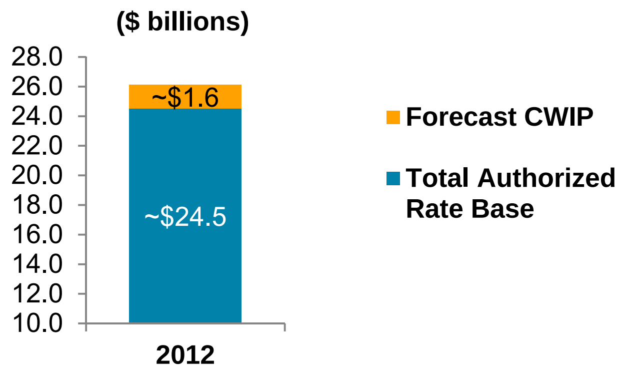
2012: ~$200 incremental spend

2013: Comparable amount

Capital Expenditures Forecast
($ millions)

2012: ~$4,600 - $4,800

Authorized Rate Base
(weighted average)



Cost of Capital

Authorized ROE: 11.35%
Equity Ratio: 52%