Pacific Gas and Electric Company

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VIA ULS

Donald Stockdale
Chief, Wireless Telecommunications Bureau
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: ULS Licensing Requests, Pacific Gas and Electric Co. (File Nos. 0007674411, et al.)

Dear Mr. Stockdale:

Pacific Gas and Electric Company ("PG&E") appreciates the opportunity to provide a supplemental response to Question 50 of PG&E's pending license applications. As PG&E previously disclosed to the Wireless Bureau ("Bureau") of the Federal Communications Commission ("FCC" or "Commission"), PG&E was found guilty in August 2016 on six felony counts, including one count of obstructing a federal agency proceeding and five counts of violations of pipeline integrity management regulations of the Natural Gas Pipeline Safety Act. The regulatory violations related to pre-2010 activities, and PG&E has undergone substantial change since that time.

PG&E is one of the largest combination natural gas and electric utilities in the United States. Based in San Francisco, the company has more than 20,000 employees who carry out PG&E's business of energy generation, transmission, and delivery. The company provides natural gas and electric service to approximately 16 million people throughout a 70,000-square-mile service area in Northern and Central California. PG&E operates more than 159,000 total miles of electric lines and over 48,000 total miles of natural gas pipelines. Customers within the areas served by PG&E include major military installations, U.S. Department of Veterans Affairs hospitals, and other Government facilities.

PG&E's FCC licenses are critical to the safe and reliable operation of PG&E's electric and gas utility systems and infrastructure. In particular, PG&E uses its licenses to operate its Supervisory Control and Data Acquisition ("SCADA") and energy management systems, which allow voltage, gas pipeline pressure, and energy flows to be monitored and managed in real time; its Remedial Action Schemes ("RAS") designed to detect predetermined electrical system conditions and to automatically take corrective actions, such as tripping a line or adjusting generation, to maintain the stability of the grid; and the operation of gas system equipment such as remotely operated shutoff valves on its gas transmission system. In addition, microwave paths carry critical data to other interconnected electric utilities in the western United States, such as the Western Area Power Administration and the Bonneville Power Administration, and to the California Independent System Operator ("CAISO") to permit safe and reliable operations of the regional grid. FCC licenses also are necessary to operate PG&E's Mobile Radio System, which is critical for the safe operations and coordination of PG&E's field workforce during normal and emergency conditions. Without full operation of its FCC licenses, PG&E gas and electric systems will be severely impaired, causing significant safety and reliability impacts on PG&E's gas and electric customers, its employees, and the public. These impacts include power outages and blackouts, including potentially for hospitals and customers on life support, and grid instability.

PG&E now takes this opportunity to supplement its response to Question 50 in order to provide additional information regarding its safety and ethics and compliance efforts that have been undertaken since the explosion in San Bruno in September 2010. Below, PG&E also provides a legal analysis based on the standards articulated in the Commission's 1986 and 1990 Character Policy Statements ("Character Policy Statements"), to demonstrate that PG&E still maintains the requisite character to be an FCC licensee.[1]

I. **Background**

On August 9, 2016, following a trial in United States District Court for the Northern District of California ("the Court"), a jury returned a verdict acquitting PG&E of six counts involving record-keeping, and finding PG&E guilty on five counts of violations of the Natural Gas Pipeline Safety Act regulations and one count of obstructing an agency proceeding. The underlying agency proceeding was the National Transportation Safety Board's investigation that followed the September 2010 tragic explosion in San Bruno, California. The conduct at issue in the trial took place between 2007 and 2011.[2]

[1] *See* 47 U.S.C. § 308(b) ("[a]ll applications for station licenses, or modifications or renewals thereof, shall set forth such facts as the Commission by regulation may prescribe as to the citizenship, character, and financial, technical, and other qualifications of the applicant to operate the station."); *see also Policy Regarding Character Qualifications in Broad. Licensing Amendment of Part 1, the Rules of Practice & Procedure, Relating to Written Responses to Comm'n Inquiries & the Making of Misrepresentations to the Comm'n by Applicants, Permittees, & Licensees, & the Reporting of Info. Regarding Character Qualifications*, Policy Statement and Order, 5 FCC Rcd. 3252, 3252 (1990) ("*1990 Character Policy Statement*"), *recon. on other grounds*, 6 FCC Rcd 3448 (1991), *modified on other grounds*, 7 FCC Rcd. 6564 (1992); *Regarding Character Qualifications in Broad. Licensing Amendment of Rules of Broad. Practice & Procedure Relating to Written Responses to Comm'n Inquiries & the Making of Misrepresentations to the Comm'n by Permittees & Licensees*, Report, Order, and Policy Statement, 102 F.C.C.2d 1179, 1183 (1986) ("*1986 Character Policy Statement*"), *recon.. granted in part and denied in part*, 1 FCC Rcd. 421 (1986), *appeal dismissed sub nom., Nat'l Ass'n for Better Broad. v. FCC*, No. 86-1179 (D.C. Cir. June 11, 1987).

[2] At trial, there was no allegation that any of the alleged regulatory violations caused the explosion in San Bruno.

On January 26, 2017, the Court sentenced PG&E to a five-year probation period, oversight by a third-party Monitor for a maximum period of five years, certain advertising requirements, community service, and a $3 million fine. PG&E appealed neither the conviction nor the sentence. PG&E paid the fine on February 1, 2017, completed the advertising requirements, and, in coordination with the community in San Bruno, is implementing a robust community service plan.

Well before the criminal trial, PG&E accepted responsibility for the tragedy in San Bruno and has been committed to doing right by its residents.[3] In fact, the judge presiding over the civil cases brought by the victims of the accident said: "[A]t the very beginning of this journey, PG&E accepted responsibility for what happened. That was a critical first step. Also, the decision was made to essentially pay the City of San Bruno $70 million without any legal obligation to do so. That was an incredible gesture to essentially heal the rift that had been caused by the events of September 9, 2010."[4] Overall, PG&E reached settlement agreements amounting to more than $500 million with those affected by the accident; as noted, contributed $70 million to the City of San Bruno, in addition to providing the City with up to $50 million to cover costs incurred as a result of the accident; and paid the $300 million fine imposed by the California Public Utilities Commission ("CPUC"), provided a $400 million refund to its customers at the direction of the CPUC in the June 2016 billing cycle, and accepted $850 million of additional shareholder-funded safety related work—penalties which PG&E did not appeal.

PG&E is committed to leading the gas industry in safety, and has made substantial improvements in gas pipeline safety since the tragedy in San Bruno, including spending more than $2.1 billion of shareholder funds toward these efforts. PG&E has been investing in the framework—both financially and in terms of institutional processes—in an effort to operate at the safest levels in the gas industry going forward. For example, in its gas operations, PG&E has developed: (1) best-in-class practices; (2) a records management program that gives PG&E better access to the accurate information necessary to make gas safety decisions; (3) increased investment in gas operations; and (4) improved training.

Since the sentencing, Mark Filip, a former federal judge and United States Deputy Attorney General, was appointed to serve as the third-party Monitor. Judge Filip has commenced his work, and the goal of the monitor is to help ensure that the Company takes reasonable and appropriate steps to maintain the safety of its gas and electric operations, and maintain effective ethics, compliance and safety related incentive programs on a Company-wide

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[3] Since the day of the accident, PG&E has focused on helping those affected. Immediately after the accident, PG&E disbursed relief funds, including about $500,000 in pre-paid credit cards to help pay for emergency lodging, food, and clothing. The Company had staff on hand to assist at the Red Cross evacuation center. PG&E also established a customer outreach center about a mile from the accident site to provide residents with emergency services and supplies. PG&E also committed to help rebuild the neighborhood most affected by the accident. Additionally, PG&E established the Rebuild or Purchase Program, the Neighborhood Restoration Plan, and the Value Assurance Program to help ensure that homeowners located near the accident could rebuild, improve, or sell their homes as they saw fit.

[4] Transcript of Hearing at 20:23-21:4, *In re San Bruno Fire Cases*, JCCP Action No. 4648 (Cal. Super. Ct. Sept. 12, 2013).

basis. The Monitor's team has met with employees throughout PG&E, up to and including PG&E Corporation CEO and President Geisha Williams, and Executive Chairman of the Board Tony Earley prior to his retirement in December 2017. In addition, PG&E now holds regular, weekly discussions with the Monitor's team. The Monitor and his team also have full access to PG&E's books and records, as well as to PG&E employees, as needed, in order for the Monitor to fulfill his duties. PG&E's extensive engagement with the Monitor and his team, which includes several subject matter experts that the Monitor has hired to aid in his review of PG&E, is intended to ensure transparency in PG&E's planning and actions, and to facilitate collaboration and feedback regarding PG&E's efforts to meet the probation conditions and the Monitor's mandate.

Moreover, PG&E is a highly regulated utility with significant monitoring of its compliance and safety programs. The work of the third-party Monitor therefore is in addition to the ongoing regulatory oversight conducted by its state regulator, the CPUC. PG&E's programs are evaluated on an ongoing basis as part of the CPUC's safety oversight and rate-setting proceedings, during which CPUC staff, public interest organizations, and other governmental bodies scrutinize the company's safety plans and initiatives broadly.

PG&E's recent actions demonstrate that it remains committed to being truthful with the United States Government, with its state regulator, and with the third-party Monitor. This includes personnel and structural changes, as well as a record of forthright actions. Notably, the Company has taken significant steps to expand its compliance and ethics team and increase senior-level oversight of its compliance and ethics programs. In March 2015, PG&E created the role of Chief Ethics and Compliance Officer ("CECO"), which is a Senior Vice President position, who centrally coordinates the compliance and ethics program. The CECO now reports directly to PG&E Corporation's CEO and President and the Boards of Directors. The Compliance and Ethics Department has been enhanced and expanded under the CECO's leadership, including by adding subject matter experts in key areas including: employee conduct, training, and regulatory compliance support. Just one example of the program in action is an annual live leader-led vignette-based compliance and ethics training. PG&E also conducts new-hire training that includes a specific discussion about the tragic accident in San Bruno and the commitments that the Company subsequently made.

In addition, PG&E has also taken steps to strengthen its team responsible for communicating with its primary state regulator, the CPUC. In 2015, PG&E hired Robert Kenney, an experienced professional, as its new Vice President, Regulatory Affairs. Prior to joining PG&E, Robert Kenney was Chair of the Missouri Public Service Commission and was formerly the Chief of Staff to the Missouri Attorney General.

All of the above enhancements and structural changes at PG&E address both the types of safety issues that were the subject of the gas pipeline aspects of the criminal case against PG&E and the allegations that gave rise to the obstruction conviction. As we move forward in our ongoing relationship with the FCC, PG&E is committed to being forthright.

Finally, PG&E timely updated its registration as a federal contractor in the System for Award Management to reflect the fact of the conviction and fully disclosed to the FCC information about the conviction. Since August 25, 2015, the Department of Interior ("DOI") has been conducting a suspension and debarment inquiry related to PG&E's compliance and ethics program. PG&E has been cooperating fully in that inquiry, providing voluminous written responses to questions from the agency, as well a significant number of supporting documents during the course of its review. On December 21, 2016, DOI signed an Interim Administrative Agreement with PG&E determining that suspension or debarment was not necessary to protect the interests of the Government at that time and allowing PG&E to remain eligible for awards. Thus, while DOI's inquiry is ongoing, PG&E continues to do business with the United States based on DOI's interim determination that PG&E is sufficiently trustworthy and responsible.

II. Legal Analysis

A. FCC Character Evaluation

In order for an applicant to receive an FCC license, the Commission, as a threshold matter, must determine whether a license applicant meets the necessary citizenship, character, financial and other qualifications to hold the license pursuant to Sections 308(b) and 310(d) of the Communications Act of 1934.[5] As a "step in the process of evaluation by which the Commission determines whether the public interest would be served by grant of the application before it,"[6] the Commission examines an applicant's character qualifications under the standards articulated in its Character Policy Statements.[7] In particular, the Commission's inquiry focuses "on the likelihood that an applicant will deal truthfully with the Commission and comply with the Communications Act and [its] rules and policies."[8]

As one aspect of that analysis, the Commission considers certain types of non-FCC related misconduct that may bear on an applicant's or licensee's character for truthfulness. Evidence of prior felony convictions for non-FCC-related misconduct therefore is relevant to, but typically not singularly dispositive of, the Commission's character analysis. The Commission has explained that "not all convictions for serious crimes are equally probative" of a character for truthfulness.[9] It is only "conviction[s] for felonies involving 'misconduct so egregious as to shock the conscience and evoke almost universal disapprobation . . . [that] might, of its own nature, constitute *prima facie* evidence that the applicant lacks the traits of reliability

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[5] 47 U.S.C. §§ 308(b), 310(d).

[6] *1986 Character Policy Statement*, 102 F.C.C.2d at 1180.

[7] *See supra* note 1.

[8] *1986 Character Policy Statement*, 102 F.C.C.2d at 1183.

[9] *1990 Character Policy Statement*, 5 FCC Rcd. at 3252.

and/or truthfulness necessary to be a licensee.'"[10] Violations such as PG&E's typically are not sufficient to warrant revocation of a license or denial of renewal.

Thus, absent shocking or egregious circumstances, the Commission considers felony convictions to "raise[]," but not on their own resolve, "questions of whether an applicant or licensee has the requisite propensity to obey the law."[11] When such a question is raised, the Commission will go on to consider "mitigating factors" described in the Character Policy Statements to determine whether the circumstances of applicant's individual case demonstrate the requisite propensity for truthfulness.[12] These mitigating factors capture aspects of the nature and seriousness of the conduct underlying the felony conviction, the applicant's compliance with the law since its misconduct, the applicant's relationship with the Commission and prior use of its licenses, and evidence of rehabilitation by the applicant.[13] Rehabilitation, in particular, takes into account "whether the applicant has not been involved in any significant wrongdoing since the misconduct occurred, how much time has elapsed since the misconduct, the applicant's reputation for good character in the community, and meaningful measures taken by the applicant to prevent the future occurrence of misconduct."[14]

B. PG&E's Mitigating Factors

Applying the mitigating factors from the Character Policy Statements to PG&E demonstrates the Company's fitness to be an FCC licensee, and should allay any of the Commission's concerns in the consideration of PG&E's character.

1. Frequency and Currency of the Misconduct

The Commission places a strict ten-year limitation on the relevance of non-FCC misconduct.[15] Even where the conduct falls within this ten-year period, however, the Commission considers as a mitigating factor whether the conduct occurred recently or if

[10] Opp'n of the FCC to Pet. for a Writ of Mandamus at 4, *In re Patrick M. Sullivan & Lake Broad., Inc.*, No. 14-1025, 2014 WL 2422124, at *2 (D.C. Cir. May 29, 2014) (citing *1986 Character Policy Statement*, 102 F.C.C.2d at 1205 n.60).

[11] *1990 Character Policy Statement*, 5 FCC Rcd. at 3252.

[12] *1986 Character Policy Statement*, 102 F.C.C.2d at 1210-11.

[13] *1990 Character Policy Statement*, 5 FCC Rcd. at 3252 (indicating that the Commission considers "the willfulness of the misconduct, the frequency of the misconduct, the currentness of the misconduct, the seriousness of the misconduct, the nature of the participation (if any) of managers or owners, efforts made to remedy the wrong, overall record of compliance with FCC rules and policies, and rehabilitation.").

[14] *Contemporary Media, Inc., et al.*, Initial Decision of A.L.J. Arthur I. Steinberg, 12 FCC Rcd. 14254, 14291 (1997).

[15] *1986 Character Policy Statement*, 102 F.C.C.2d at 1229.

substantial time has passed without further misconduct.[16] Thus, mitigating weight should be given to the isolated and increasingly distant nature of the conduct.

In this instance, all conduct underlying the criminal trial took place between 2007 and 2011, over six years ago. There has been no recurrence of felony misconduct since that time. This factor therefore weighs in favor of granting PG&E's pending license applications, as a sufficient amount of time that has passed since PG&E's felony violations without any further issues.

2. <u>*Seriousness of the Misconduct*</u>

As explained above, PG&E takes seriously its commitment to following the law and the importance of doing right by those affected by its past conduct. The 2010 explosion in San Bruno was a tragedy that serves as a daily reminder to PG&E about the importance of safety. In fact, PG&E has placed a section of the pipe that exploded in the lobby of its new state-of-the-art safety training center. Without in any way minimizing PG&E's convictions, when they are considered under the standards set forth in the Character Policy Statements and compared to conduct previously considered by the Commission, PG&E's convictions are not of the type that the Commission has concluded are "egregious" or "shock the conscience"—such as drug trafficking and sexual abuse—for the purpose of the licensee character analysis.[17]

Indeed, the Commission regularly has approved the renewal of licenses (or denied revocation) when confronted with felony convictions. For example, the Commission found that General Electric's conviction, approximately one year prior to its order, "[did] not raise a substantial and material question as to GE's ability to comply with [its] rules and policies or to be forthright with the Commission."[18] Noting that GE had taken "[c]orrective measures" and that it had paid "criminal fines and civil penalties totalling [sic] nearly three million dollars," the Commission concluded that the "deterrent effect of these substantial fines and the nature and extent of the remedial measures instituted should serve to forestall future misconduct of this nature."[19]

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[16] *See, e.g., Dennis Elam, Chapter Seven Tr. for Bakcor Commc'ns, Inc. & Bakke Commc'ns, Inc. & Ramar Dev., Inc.*, Memorandum Opinion and Order, 8 FCC Rcd. 5185, 5187 (1993) ("In this case, the conduct occurred eight years ago, and is therefore remote in time."); *Jack R. Sharples*, Application for New License in the Amateur Radio Service, 22 FCC Rcd. 9381, 9382 (2007) (concluding that egregiousness of a sex offense involving children required a hearing on character "[a]lthough Sharples's felony adjudications occurred more than seven years ago.").

[17] *See Williamsburg Cty. Broad. Corp. Augusta Radio Fellowship Inst. d/b/a S.C. Radio Fellowship for a Constr. Permit for a New FM Broad. Station on Channel 231A at Kingstree, S.C.*, Order to Show Cause, 5 FCC Rcd. 3034, 3035 (1990) (ordering Applicant to show cause why he was not unfit to be an FCC licensee due to drug trafficking); *Contemporary Media, Inc. et al.*, 13 FCC Rcd. 14437, 14441-42 (1998), *recon. denied*, 14 FCC Rcd. 8790 (1999), *aff'd, Contemporary Media, Inc. v. FCC*, 214 F.3d 187 (D.C. Cir. 2000) (finding an Applicant to not meet the Commission's character requirements due to crimes involving sexual abuse of children).

[18] *Applications of Stockholders of RCA Corp.*, Memorandum Opinion and Order, 60 Rad. Reg. 2d (P & F) 563, ¶ 16 (F.C.C. June 6, 1986).

[19] *Id.* ¶ 17.

Accordingly, as with General Electric, the Commission's consideration of the corrective actions that PG&E has made and the civil penalties PG&E has incurred following the explosion in San Bruno should weigh in PG&E's favor. Specifically, as set forth in in the Background section of this letter, PG&E has implemented extensive programs and initiatives to address and enhance the safety of its gas pipeline system, including incurring $2.1 billion in costs at shareholder expense. In addition, PG&E has paid the $300 million fine imposed by CPUC, provided a $400 million refund to its customers at the direction of the CPUC in the June 2016 billing cycle, and accepted $850 million of additional shareholder-funded safety related work. PG&E also has expanded its compliance and ethics team and increased senior-level oversight of its compliance and ethics programs in an effort to prevent and detect criminal conduct, and promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.

3. *Efforts Made to Remedy the Wrong*

As explained above, PG&E has accepted responsibility for the accident in San Bruno and been committed to doing right by its residents. PG&E did not appeal the civil fine, and, later, did not appeal its conviction or sentence. PG&E's voluntary efforts to remedy the impact of the September 2010 explosion include disbursing relief funds, assisting at the Red Cross evacuation center, providing residents with emergency services and supplies, and establishing programs to help rebuild the neighborhood. PG&E has also reached substantial civil settlements totaling more than $500 million with those affected by the accident, is cooperating fully with the third-party Monitor for a period up to five years, and is conducting Court-ordered community service. Collectively, PG&E's efforts to remedy the wrong in this instance should weigh in favor of granting its pending license applications.

4. *Overall Record of Compliance with FCC Rules and Policies*

The Commission places significant weight on whether a licensee has otherwise complied with FCC rules and policies, and whether this record of compliance indicates a character for dealing dishonestly with the FCC, notwithstanding the existence of an unrelated felony conviction. Indeed, even when only a small amount of time as passed between the underlying conduct and the application for renewal of a license, the Commission considers its "actual experience with [the applicant] as a licensee," and whether any prior complaints or incidents bear on the likelihood that the applicant will demonstrate the character required to hold a license.[20] When a licensee's "record shows no complaints[,]" it "is entitled to weight as a mitigating factor."[21]

[20] *Application of Richard Richards*, 77 Rad. Reg. 2d (P & F) 1282, ¶ 32 (F.C.C. Apr. 11, 1995).

[21] *Id.*

PG&E has a long record of being a dutiful FCC licensee and has quickly addressed any concerns the Commission has raised regarding PG&E's compliance with its rules and policies.[22] This mitigating factor therefore weighs in favor of granting its pending license applications.

5. *Rehabilitation*

The United States Court of Appeals for the District of Columbia ("D.C. Circuit") has indicated that the Commission must consider rehabilitation when evaluating the impact of a felony conviction on its assessment of an applicant's character. Indeed, the D.C. Circuit has suggested that a lack of rehabilitation—as demonstrated through, for example, subsequent misrepresentations and lack of candor with the Commission—distinguishes those cases where revocation or denial is appropriate from those cases where the Commission has granted approval to a party with a felony conviction.[23]

As addressed above, PG&E has spent more than $2.1 billion to improve gas pipeline safety. PG&E also has expanded its compliance and ethics team by adding subject matter experts in key areas including: employee conduct, training, and regulatory compliance support, increased senior-level oversight of its compliance and ethics programs over the last two years, and created the CECO position as a Senior Vice President position reporting directly to PG&E's Boards of Directors and PG&E Corporation's CEO and President, and who centrally coordinates the Compliance and Ethics Program. PG&E has also hired as its Vice President, Regulatory Affairs an experienced professional with a background in public service and law enforcement to take over as primary point of contact with its state regulator.

Additionally, PG&E's conduct has been preliminarily reviewed and recognized by another federal government agency since the time of its conviction. On December 21, 2016, DOI signed an Interim Administrative Agreement with PG&E determining that suspension or debarment was not necessary to protect the interests of the government at that time and allowing PG&E to remain eligible for awards, as described above. DOI's investigation is ongoing, but PG&E continues to do business with the United States based on DOI's finding.

Taken together, these factors show substantial rehabilitation such that grant of PG&E's FCC licenses would be appropriate.

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[22] For example, in September 2011, PG&E was notified by the Enforcement Bureau that its license, WQFY568, was allegedly using an incorrect frequency, potentially was causing interference and not properly transmitting the necessary station identification information. *See PG&E Licensee of Radio Station WQFY568 San Francisco, CA*, File No. EB-11-SF-0059, NOV No. V201132960012, Notice of Violation (Sept. 29, 2011). PG&E responded to the Enforcement Bureau's notice shortly thereafter detailing the corrective steps it would take to resolve the Enforcement Bureau's concerns. *See* Letter from James W. Sample, Senior Director and Chief Information Security Officer, PG&E, to Thomas N. Van Stavern, District Director, FCC (File No. EB-11-SF-0059, NOV No. V201132960012, filed Oct. 19, 2011). PG&E also has a practice of cooperatively responding to and successfully resolving any complaints that it receives regarding radio interference from PG&E's power lines.

[23] *Schoenbohm v. FCC*, 204 F.3d 243, 247 (D.C. Cir. 2000).

6. Public Interest

In addition to the mitigating factors found in the Commission's Character Policy Statements, the Commission should consider that granting PG&E's licenses would broadly serve the public interest. As explained above, PG&E's FCC licenses are critical to the safe and reliable operation of PG&E's electric and gas utility systems and infrastructure. The licenses are essential to PG&E's ability to monitor its energy management systems and maintain stability of the power grid and gas system serving approximately 16 million people throughout a 70,000-square-mile service area in Northern and Central California. The licenses are also necessary to operate PG&E's Mobile Radio System, which is critical for the safe operations and coordination of PG&E's field workforce during normal and emergency conditions. Grant of PG&E's licenses is necessary to prevent severe impairment of its public utility systems, and safeguard the safety and reliability of its delivery of electricity and gas throughout Northern and Central California.

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With this additional information, PG&E requests that the Bureau find that PG&E maintains the necessary character qualifications to be an FCC licensee, and therefore approve all of the company's pending license applications. An analysis of the mitigating factors described in the Character Policy Statements, along with the Commission's decisions involving comparable convictions, demonstrate that PG&E possesses the necessary character to deal truthfully with the Commission and to comply with its rules and policies. In addition, PG&E assures the Bureau that it will continue to be truthful and honest with the Commission in all matters going forward.

Respectfully submitted,

Julie M. Kane

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