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Sustainability at PG&E: Building a Foundation for the Future

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Corporate Sustainability
PG&E





About PG&E and Our Business

PG&E Corporation is an energy-based holding company whose core business is Pacific Gas and Electric Company.

We deliver some of the nation's cleanest energy to approximately 15 million Californians.



Employees	~19,275
Electric and gas distribution customers	5.2 million electric 4.3 million gas
Communities served in California	49 counties and 244 cities
Assets	\$49 billion
Revenues	\$15 billion



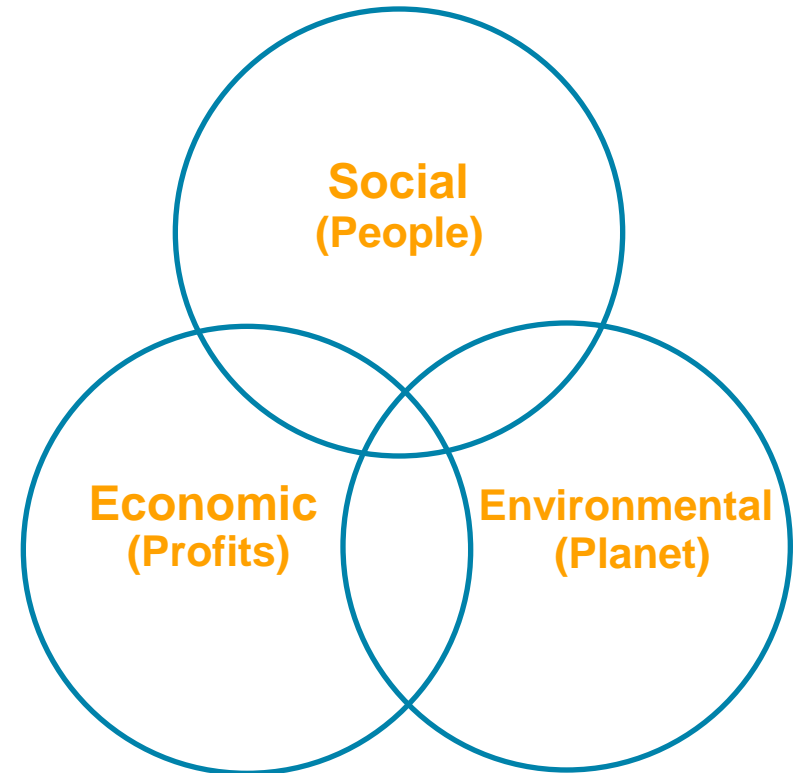
Sustainability at PG&E

Triple Bottom Line-driven

- People
- Planet
- Profits

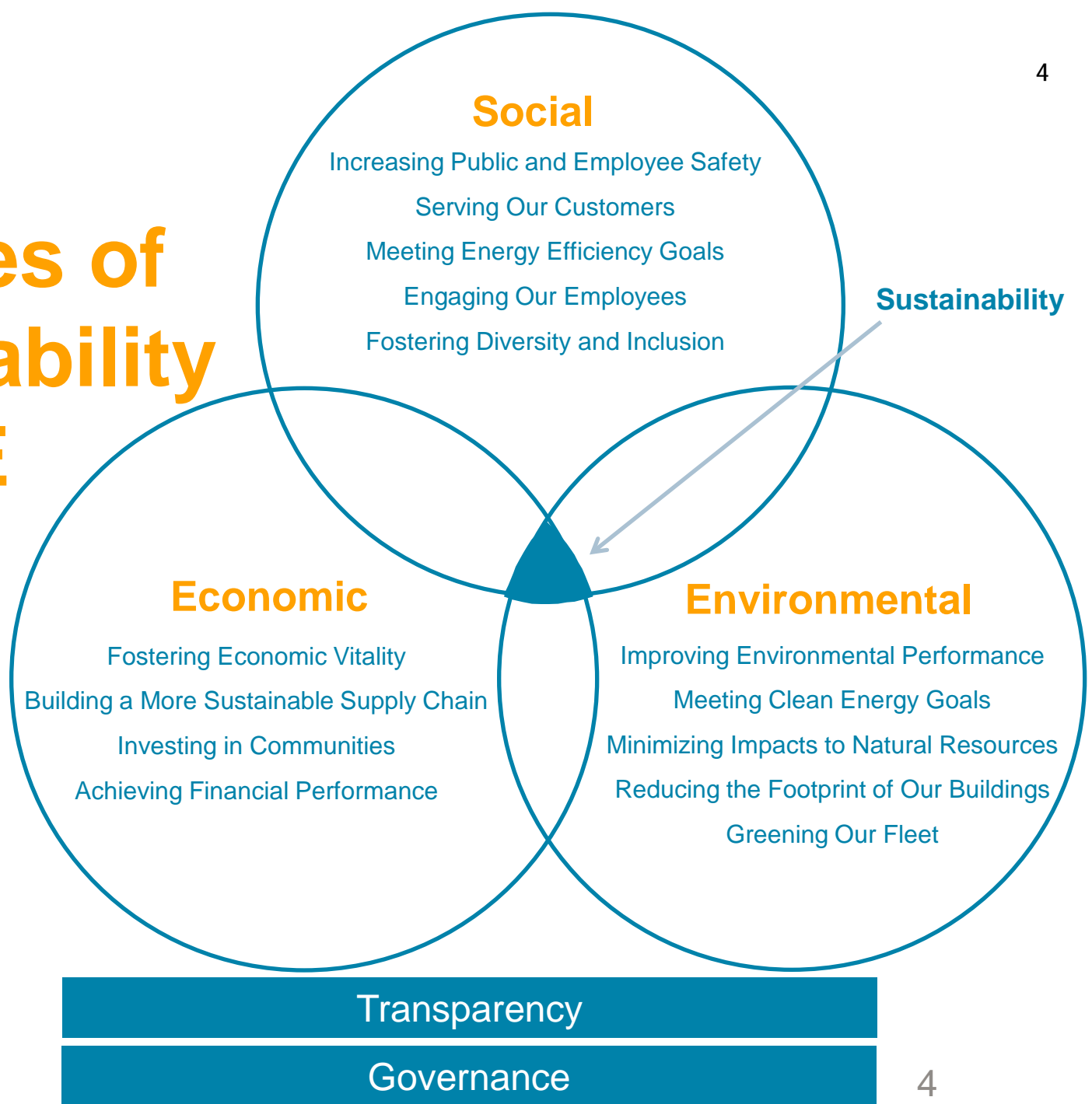
Aligns with five corporate goals

- Public and Employee Safety
- Delighted Customers
- Engaged Employees
- Environmental Leadership
- Rewarded Shareholders



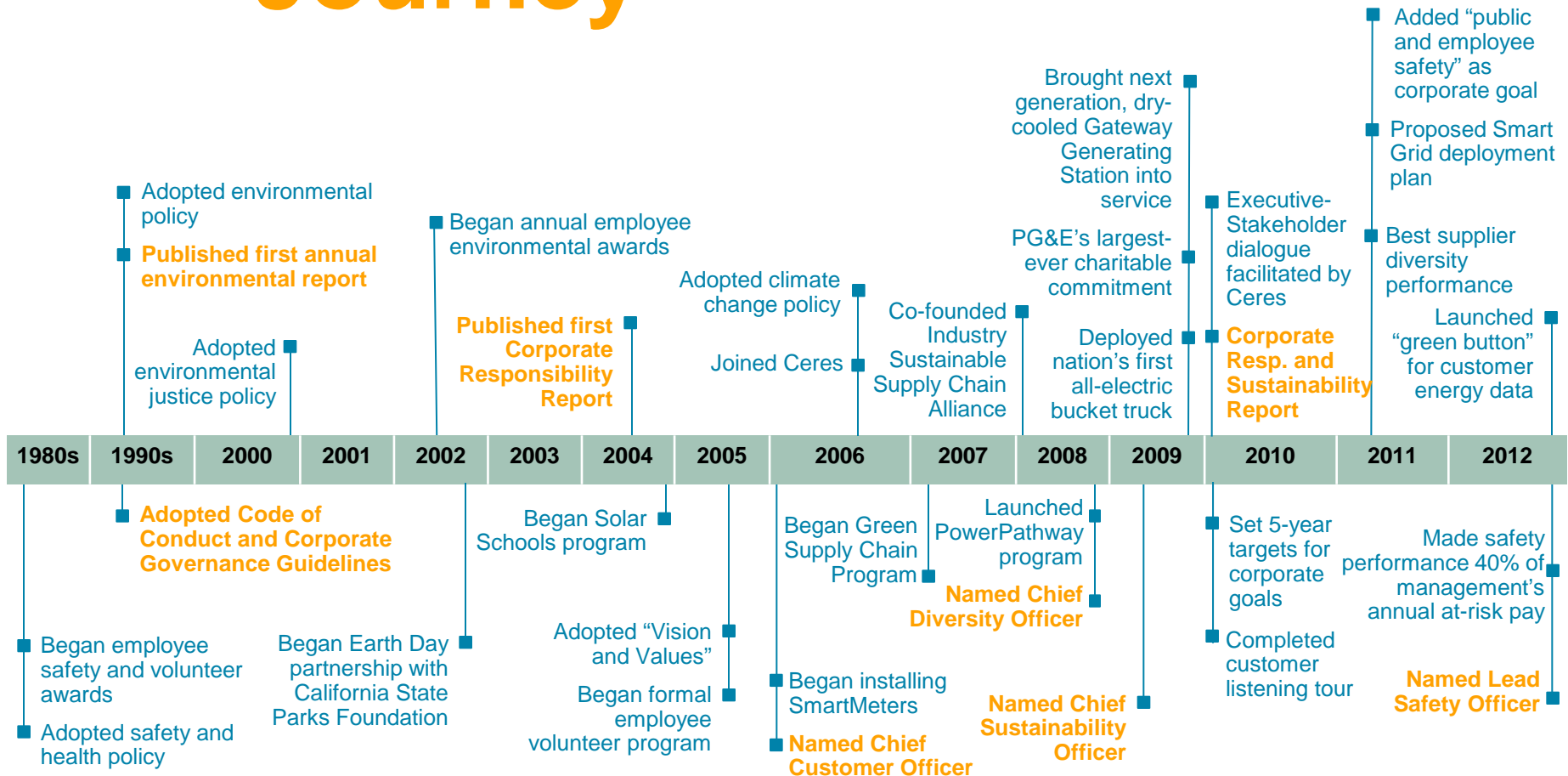


Examples of Sustainability at PG&E





Selected Milestones on PG&E's Sustainability Journey







Working with Others



Ceres



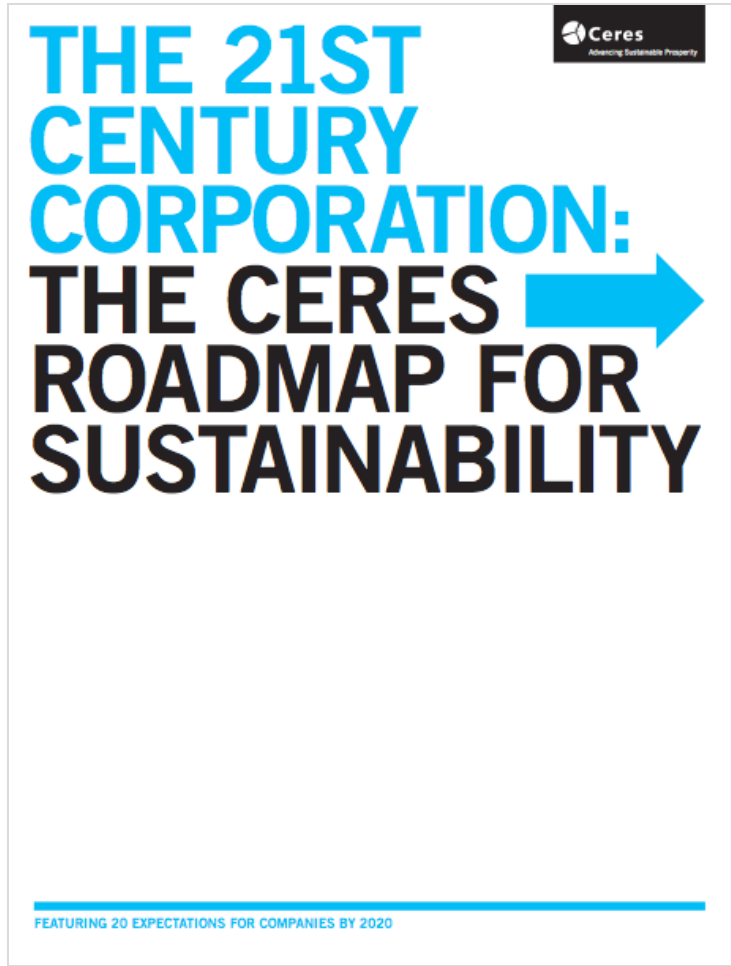
The Climate Registry



ALLIANCE TO
SAVE ENERGY
Creating an Energy-Efficient World



The Ceres Roadmap



- ➔ 20 Expectations by 2020
- ➔ Four sections
 - ü Governance
 - ü Stakeholder Engagement
 - ü Disclosure
 - ü Performance
- ➔ Includes 200 company best practice examples, in more than 20 sectors
- ➔ Features over 250 tools and resources



[About the Business](#)

[Safety](#)

[Customers & Communities](#)

[Employees](#)

[Economic Vitality](#)

[Environment](#)

2011 Corporate Responsibility and Sustainability Report

PG&E's Sustainability Journey: Building a Stronger Foundation for the Future



» Chairman and CEO Tony Earley discusses sustainability at PG&E

» Message from the Chief Sustainability Officer



Improving the Safety of Our Gas Operations



Strengthening Collaboration with First Responders



Building Career Pathways



Driving Local Economic Benefits



Protecting Condors In Big Sur

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Print Customized Report



Sustainability in Practice: Fostering Economic Vitality While Greening Our Fleet



PG&E has more than 270 of these vehicles in its fleet already, with plans to purchase about 280 more by the end of 2014.

PG&E is investing in a range of electric and hybrid vehicles, integrating sustainability into our business operations.

PG&E and Altec Industries developed a first-of-its-kind plug-in battery-powered system for PG&E's bucket trucks that:

- Operates the hydraulic lift and other accessories at the job site, avoiding the need to idle the vehicle's engine.
- Reduces fuel consumption and emissions, saves money, and provides a safer work environment by reducing noise.
- Spearheaded the recent opening of Altec's green-vehicle manufacturing facility.



Sustainability in Practice: Building a More Sustainable Supply Chain



As PG&E works toward our goal of new utility-owned solar power, we are leveraging the expertise of diverse suppliers.

PG&E's work to build a more sustainable supply chain includes helping to "green" our suppliers and integrating more diverse suppliers into our supply chain.

Recent highlights:

- Spending \$1.61 billion in 2011 with diverse suppliers, an all-time record that accounted for 36.6% of our total procurement budget.
- Announcing a new set of Supplier Environmental Performance Standards for our top tiers of suppliers, leveraging ongoing work with the Electric Utility Industry Sustainable Supply Chain Alliance.



Sustainability in Practice: Pre-Apprentice Lineworker Program



Program provides economic opportunities, promotes diversity, and serves as a model for the way we approach training.

With a portion of our workforce nearing retirement, it's critical that we maintain a "pipeline" of skilled line workers to ensure safe and reliable energy service to customers.

This new "pre-apprentice" program was developed in collaboration with the IBEW labor union:

- Provides candidates with formal training and assessments.
- Strong emphasis on safety.
- Those who complete the one-year program will become apprentice linemen, the beginning of a multi-year apprenticeship.



Sustainability in Practice: Solar Habitat Program



PG&E has provided more than \$7 million to fund solar electric systems on more than 350 Habitat-built homes.

PG&E is focused on making charitable grants that invest in the local vitality of the communities we serve.

This partnership between PG&E and Habitat for Humanity International:

- Funds the full cost of solar electric systems on every Habitat-built home in northern and central California.
- Brings solar energy to families with limited incomes in underserved communities.
- Saves families about \$500 a year on energy costs—helping to keep new homeowner payments affordable.
- Provides employee volunteer opportunities.



Benchmarking Our Performance¹⁵

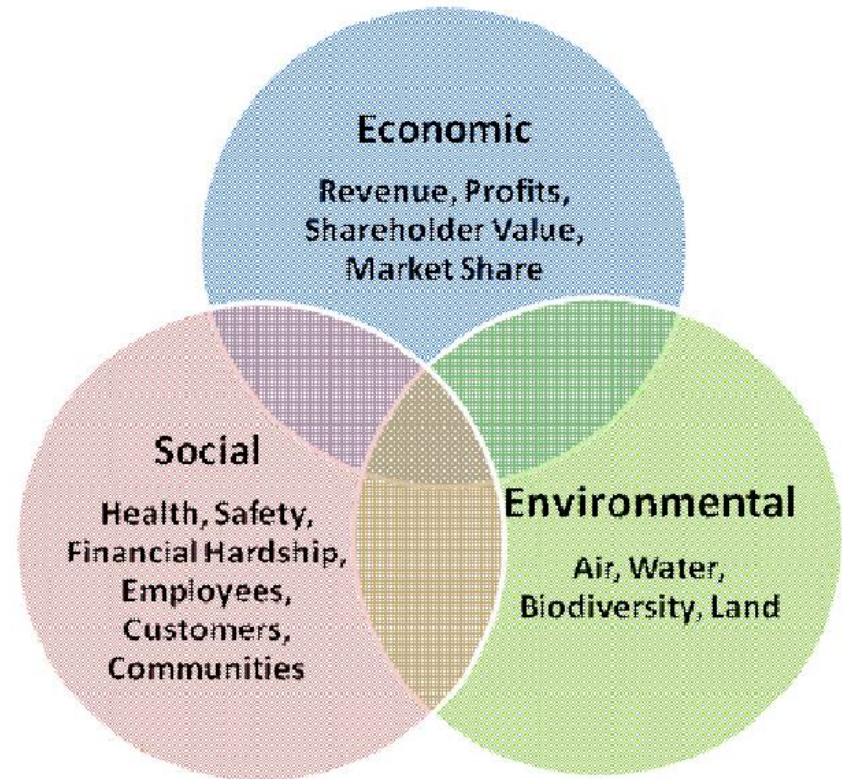
EPRI Energy Sustainability Interest Group

Issue

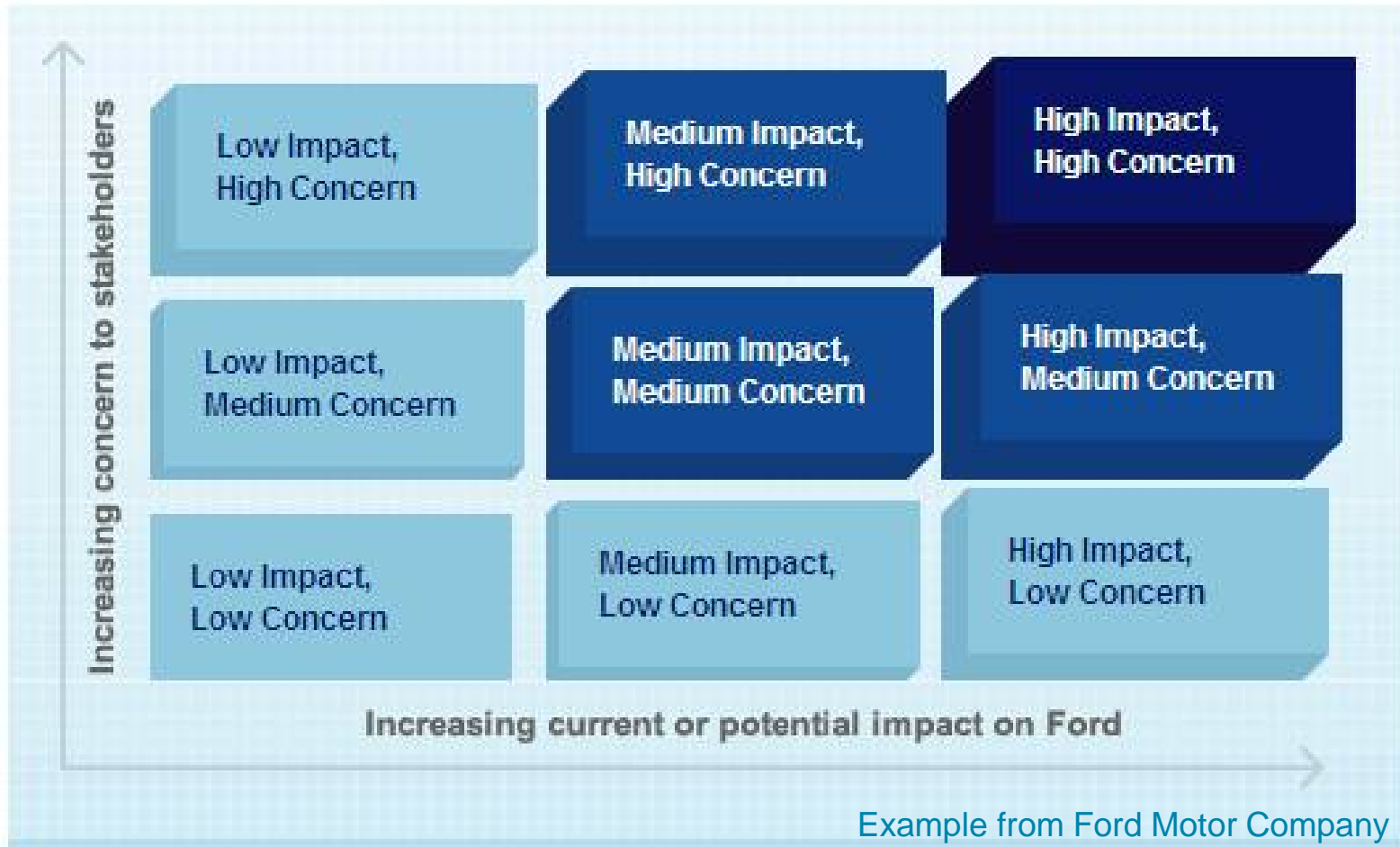
- Utility stakeholders expect accountability and progress on sustainability

EPRI Response

- Creates a forum for a sustainable energy future
- Identify strategic value of sustainable business practices
- Exchange sustainability best practices
- Address sustainable energy challenges collaboratively



Understanding Strategic Industry & Stakeholder Priorities





Maturity Model

Mapping Sustainability Operational & Management Practices

	Stage 1: Initial	Stage 2: Repeatable	Stage 3: Defined	Stage 4: Managed	Stage 5: Optimizing
Governance & Policy	Dark Blue	Light Blue	Light Blue	Light Blue	Light Blue
Stakeholder Engagement	Light Blue	Light Blue	Dark Blue	Light Blue	Light Blue
Key Performance Indicators	Light Blue	Dark Blue	Light Blue	Light Blue	Light Blue
Goals & Priorities	Light Blue	Light Blue	Light Blue	Dark Blue	Light Blue
Organizational Initiatives	Light Blue	Dark Blue	Light Blue	Light Blue	Light Blue
Reporting & Transparency	Light Blue	Light Blue	Light Blue	Light Blue	Dark Blue

Note: Illustrative example.



Continued Areas of Focus for Sustainability

Further integrating sustainability into our business

Maintaining our focus on the environment while strengthening the social and economic aspects of our sustainability commitment

Expanding and improving PG&E's sustainability reporting and disclosure

Continued reliance on engagement with stakeholders to guide our efforts