



PG&E is committed to addressing impacts from our historic utility operations. As part of this commitment, we are working to address environmental impacts related to our activities at the former Potrero Power Plant property located at 1201 Illinois Street in San Francisco. This includes the investigation and cleanup of a former manufactured gas plant (MGP) that operated on the Site from the 1870s until the 1930s, and the former power plant, which PG&E sold in 1999. Our work is being overseen by the San Francisco Bay Regional Water Quality Control Board in close coordination with other regulatory agencies.

Community Engagement

PG&E is committed to keeping the community informed while our work takes place on the former Potrero Power Plant property. On the evening of Wednesday, March 14, we held a community open house at the Potrero Hill Neighborhood House.

This informational event was attended by approximately 25 community members who spoke with the project team about a wide variety of topics. Attendees received information about current site activities, remedial investigations and studies conducted to date, and both past and planned cleanup efforts on the site.

We appreciate those community members who were able to attend the meeting as well as the thoughtful feedback we received.

PG&E plans to hold a second Open House this summer regarding the Draft Feasibility Study (FS) for the Northeast Area of the site (see details on page 3). We will send out invitations to the community in advance of the meeting and we encourage community members to participate.

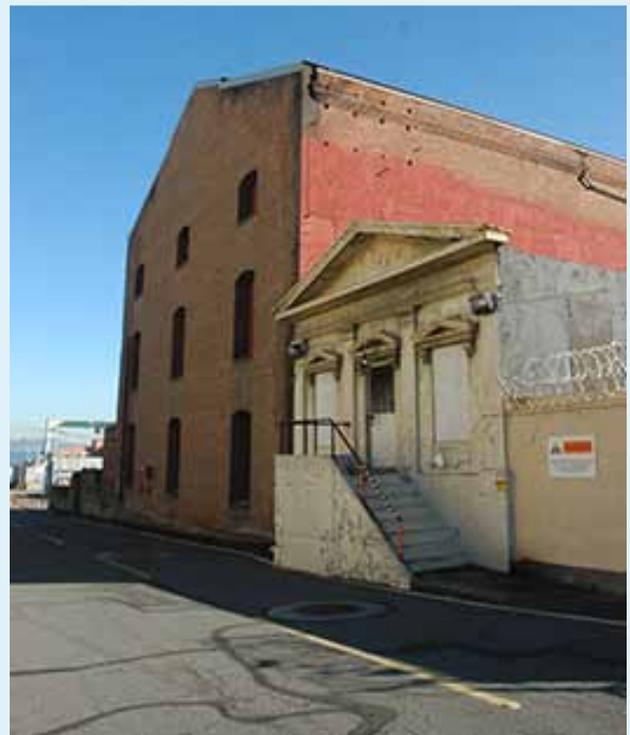
Additional community meetings will be held throughout the cleanup process.

PG&E Pipeline Safety Project Update

PG&E's highest responsibility is the safety of our operations, which includes rigorous and ongoing inspections of our natural gas system. As part of this responsibility, we will be performing a hydrostatic pressure test on a section of natural gas pipeline that is near the Potrero Power Plant property.

For more information on the pipeline safety effort, please visit www.pge.com/gassystem, or call Customer Care representatives at 1-888-743-7431 from 7 a.m. to 6 p.m. Monday through Friday. PG&E will be hosting a separate community meeting before this work starts.

Station A

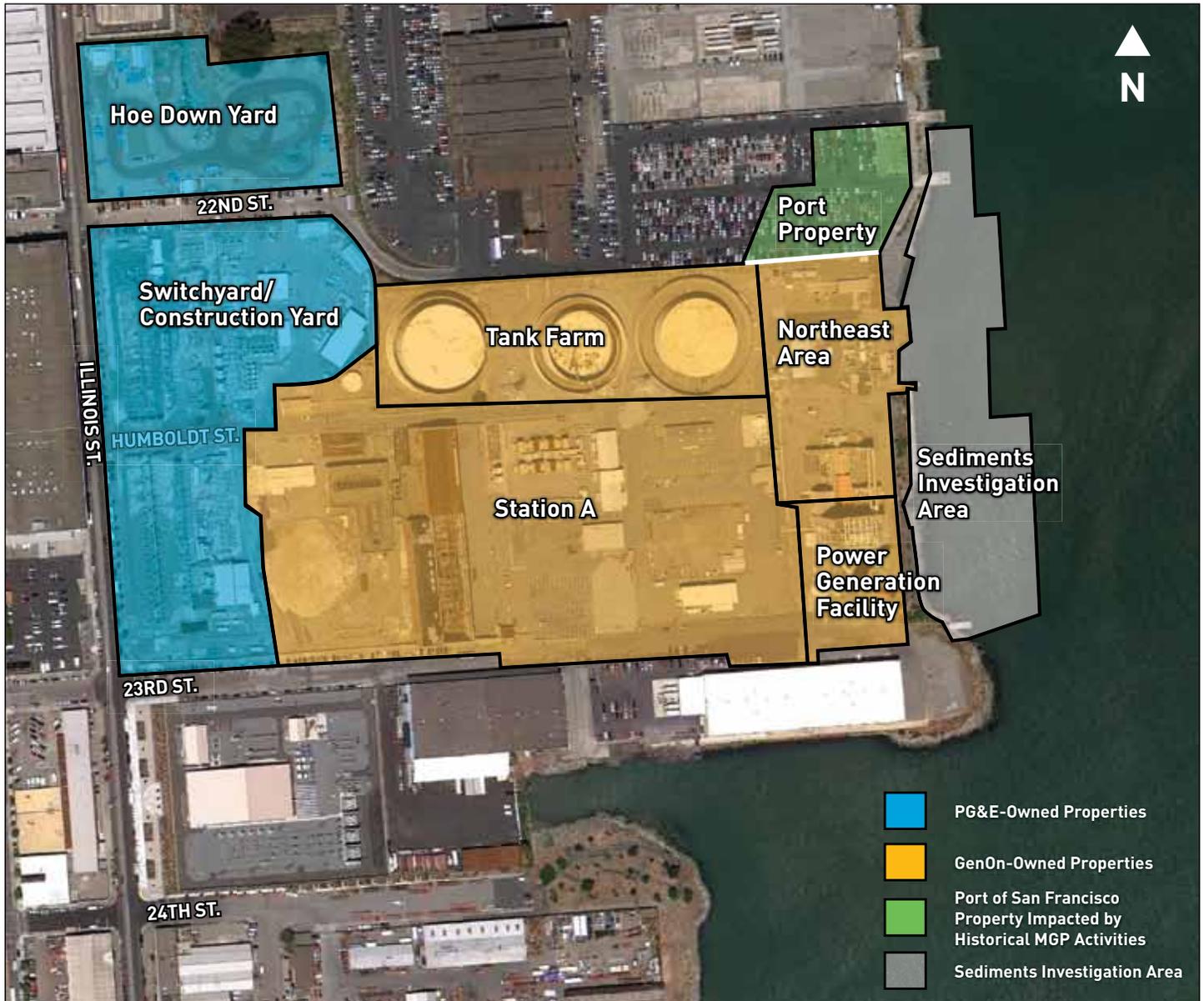


Switchyard



Remediation and Investigation Progress

We continue to make significant progress on the investigation and cleanup of the former Potrero Power Plant property. To help facilitate the work, the Site has been divided into seven work areas (see site map below). An update of recent activities in each of the areas is provided on the next two pages.



Approximate boundaries shown. Map not to scale.

Hoe Down Yard (PG&E Owned)

Investigation activities for the Hoe Down Yard (a PG&E construction and equipment storage area) have been completed and approved by the Water Board. As part of this, a final Human Health Risk Evaluation was approved by the Water Board in February 2012. A Site Management Plan for the area will be submitted to the Water Board for review in the coming months. We anticipate remediation activities in area will be completed by the end of this year. In addition, a Deed Restriction, which will restrict the area to commercial and industrial uses, will also be submitted to the Water Board this summer.

Switchyard and General Construction Yard (PG&E Owned)

Remediation activities in the Switchyard and General Construction Yard have been completed. In order to prevent exposure to underlying soil, the site is currently covered by gravel, concrete or asphalt. A Site Management Plan that provides health and safety guidelines for current and future users, along with a Deed Restriction that restricts this area to commercial and industrial uses, were approved by the Water Board and submitted to the City and County of San Francisco in October 2011. In February, the Water Board issued a completion (i.e., No Further Action) letter for environmental work for this portion of the site, indicating that no further remediation work is needed.

Tank Farm Area (GenOn Owned)

This area includes three large above-ground fuel tanks formerly used to house fuel oil for the former Unit 3 power plant. Limited soil and groundwater investigations have been conducted in this area and additional investigations are anticipated once the above ground tanks are removed by GenOn.



Tank Farm

Station A Area (GenOn Owned)

Similar to the Hoe Down Yard, investigation activities and an evaluation of potential human health risks have been completed and approved by the Water Board. The Site Management Plan and Deed Restriction will be submitted to the Water Board this summer.

Northeast Area (GenOn and Port of San Francisco Owned)

This area includes the northeastern corner of the Potrero Power Plant property, the shoreline and a southern portion of Pier 70 owned by the Port of San Francisco. An extensive soil and groundwater investigation of the area is now complete. A draft Feasibility Study, which provides an evaluation of various cleanup options for the site, was submitted to the Water Board and will be available for public review in September or October. This summer PG&E will be hosting a public meeting to provide additional information to the community and provide community members an opportunity to provide feedback about the proposed cleanup.

We have submitted a draft Pier 70 Investigation Report to the Port of San Francisco. The report summarizes the findings of soil sampling recently conducted in the southeastern area of Pier 70. The report will be submitted to the Water Board upon the Port's review, which is anticipated this month.



Unit 3

Power Generation Facility (GenOn Owned)

This area includes the recently shut down Unit 3 power plant and immediate surroundings. Some soil and groundwater investigations have already been conducted and we will commence additional investigations once the former plant is decommissioned by GenOn and the area becomes more accessible.

Offshore Sediments

This area includes sediments in San Francisco Bay near the former power plant property. PG&E conducted three phases of sediment investigations and we recently presented our findings to regulatory agencies. Based on the comments we received from the regulatory agencies, we will be moving forward with additional sampling in the area. We will submit a draft Investigation Work Plan to the Water Board describing this sampling for review this summer.



Zeynep Ungun
PG&E
3401 Crow Canyon Road
San Ramon, CA 94583

Presorted
Standard
U.S. Postage
PAID
San Francisco, CA
Permit #XXXXX

Former Potrero Power Plant

Newsletter June 2012

Open for more information
about the cleanup of the
former Potrero Power
Plant property.

Former Potrero Power Plant



For More Information

For more information, please email us at potreroinfo@pge.com or call the Environmental Remediation Information and Response Line at 1-866-247-0581. You may also contact PG&E Project Manager, Zeynep Ungun at zeynep.ungun@pge.com or Mark Johnson of the Water Board at (510) 622-2493 or mjohnson@waterboards.ca.gov.

 Printed on 100% recycled paper, using 100% post-consumer content.

"PG&E" refers to Pacific Gas and Electric Company, a subsidiary of PG&E Corporation. ©2012 Pacific Gas and Electric Company. All rights reserved.