

March 25, 2014

Anthony F. Earley, Jr.
Chairman, Chief Executive Officer, and President
PG&E Corporation
77 Beale Street
San Francisco, CA 94105

Re: Pipeline Pathways Project

Dear Mr. Earley:

Because we are entrusted with protecting our respective communities' values, we, the undersigned mayors and elected officials of Alameda and Contra Costa Counties, request a meeting with you immediately to discuss your company's Pipeline Pathways project. We are aware of the access concerns purportedly driving this project, but the project will have significant and irreversible impacts on the character of our communities. The need to meet to discuss the project is urgent, as your company has already been contacting residents in our communities.

In pursuing the project, PG&E has indicated a willingness to "work with" local jurisdictions, but it does not do so. Instead, PG&E has declared that the cities and counties *must*, without exercising any discretion, grant permits and authorizations for PG&E's tree and vegetation removal activities. PG&E has utterly failed to demonstrate a safety need for this project. The failure makes it appear that the project is driven instead by convenience and cost savings associated with having clear access to the pathways. From our view point, that seems an insufficient justification for the great community harm to be caused. If PG&E gets its way, thousands of trees would be removed in the East Bay with virtually no oversight. PG&E's current posture, beyond being legally incorrect, is unacceptable to the City and the public. PG&E can do better, and we demand it take immediate steps to do so.

Our attorneys have informed us that the legal assertions the project is premised upon are incorrect. PG&E does not have the unilateral right under its gas franchise agreements to remove trees in the public right of way. Instead, PG&E needs our authorization to remove such trees. Our attorneys have also concluded, once again directly contrary to PG&E's assertions, that local tree removal requirements apply to PG&E's gas pipeline projects. Notably, it has been the experience of many communities in the past that PG&E has complied with tree removal permitting processes.

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Trees are valuable to the character of communities. They have aesthetic value, increase property values, moderate extreme temperatures, create identity, and have a beneficial impact on economic development. Unsurprisingly, all of our local agencies have ordinances, policies, and regulations that are designed to protect trees.

PG&E's current posture would have elected officials completely ignore these public policies. That will not happen. We are prepared to take the necessary steps to ensure that PG&E complies with City ordinances and does not destroy City property.

Our efforts will not be at the expense of safety. We are all aware of the importance to the public of the proper maintenance and operation of gas transmission lines. We all stand ready to work with PG&E on a process to ensure that all permits and approvals required by the project are processed expeditiously. This commitment does not mean that we will approve all of PG&E's requests, but we can assure you that they will be given fair consideration.

We urge PG&E to change its posture to one that is more flexible and more in keeping with the expectations of our constituents and PG&E's rate payers.

Please contact Darcy Smith at 925-943-5812 (dsmith@walnut-creek.org), who can assist in promptly scheduling the meeting.

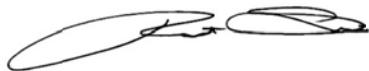
Very truly yours,



Hank Stratford, Mayor
City of Clayton



Timothy S. Grayson, Mayor
City of Concord



Robert Storer, Mayor
Town of Danville



Janet Abelson, Mayor
City of El Cerrito

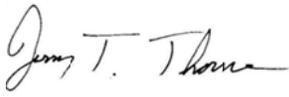
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A handwritten signature in black ink, appearing to read "Mike Anderson".

Mike Anderson, Council Member
City of Lafayette

A handwritten signature in blue ink, appearing to read "Rob Schroder".

Rob Schroder, Mayor
City of Martinez

A handwritten signature in black ink, appearing to read "Jerry T. Thorne".

Jerry Thorne, Mayor
City of Pleasanton

A handwritten signature in purple ink, appearing to read "Kristina Lawson".

Kristina Lawson, Mayor
City of Walnut Creek