



Human Resources

Pacific Gas and Electric Company Long-Term Disability Plan Amended Coordination of Benefits

In January 1, 2009, the coordination of benefits provisions for Long-Term Disability (LTD) Plan were amended.

What does this mean?

Benefits under PG&E's LTD Plan are coordinated with (reduced by) other benefits that employees are entitled to receive. In addition to the other benefits with which LTD benefits are coordinated, the Plan was amended with respect to the coordination of Social Security Retirement benefits and the Railroad Retirement Act.

Specifically, the Plan was amended to provide that a benefit under the LTD Plan will not just be reduced by Social Security Retirement benefits for participants who reach normal retirement age (age 65), but they will also be reduced by Social Security Retirement benefits for any LTD participants who elect to start receiving Social Security Retirement benefits earlier (prior to reaching the full retirement age of 65). The Plan was also amended to reduce LTD benefits by monies received under the Railroad Retirement Act.

What are the plan specific details?

The LTD Plan provides different benefit entitlements (referred to as Plan I, II and III) depending on when you became eligible for LTD benefits. The following chart provides the specific information on how the coordination of benefits provisions were amended for each of Plan I, II and III.

From now on, LTD benefits will be reduced as follows:

PLAN I	30% or 40% of your Social Security retirement benefit (depending on your credited service at the time your disability began) if you are qualified to continue LTD benefits.
PLAN II	100% of your Social Security retirement benefit if you are qualified to continue LTD benefits.
PLAN III	100% of your family Social Security disability benefit, including any back-pay awards, or any amount payable under the Railroad Retirement Act. 100% of your Social Security retirement benefit, and family Social Security disability, if applicable if you are qualified to continue LTD benefits.

Please note that, as set out in the Plan document and the Summary of Benefit handbook, your LTD benefit will be coordinated with other benefits you may be entitled to receive and not just the ones discussed in this document.

What do I need to do?

Please use this information to make informed decisions about applying for early Social Security retirement benefits and forward any applicable award notifications to Hewitt timely to reduce to possibility of benefit overpayments. You can review the entire list of offsets in the appropriate Facts About Your Benefits document located on About Me under My Career > Return To Work > Long Term Disability Plans.

Who can I contact if I have questions?

Contact Hewitt at 1-866-369-7582.

This document, dated December 2010, constitutes a Summary of Material Modifications to the Pacific Gas and Electric Company Long-Term Disability (LTD) Plan. The Summary Plan Description ("SPD") for the LTD Plan dated January 1, 2008, together with this and any other Summary of Material Modifications dated after January 1, 2008, collectively constitute the official SPD. If a conflict exists between the content of this document and the plan document for the Pacific Gas and Electric Company LTD Plan, the plan document for the LTD Plan governs.

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