



**General Information
PG&E Corporation
Supplemental Retirement Savings Plan (SRSP)**

The PG&E Corporation Supplemental Retirement Savings Plan (SRSP) became effective January 1, 2005. It is a deferred compensation program that allows you to set aside future, pre-tax compensation in a supplemental retirement savings account. (Please note, a predecessor plan governs deferrals made prior to January 1, 2005. Please see the "Old" Plan section of this document for information regarding that plan.)

Eligible Employees

- Officers
- PL3 (Sr. Directors, Directors and Chiefs)
- Attorneys in levels 45 and 47

Employee Elected Deferrals

An eligible employee may voluntarily elect to defer the following compensation:

- Base Salary-You may defer from 5 to 50 percent of your monthly salary.
- Perquisite Allowance-If you are eligible for a perquisite allowance, you may defer all or part of it.
- Short-Term Incentive Plan Award (STIP) – You may defer all or part of your STIP.

Deferral elections are made online through Fidelity's NetBenefits website, www.401K.com. There are two enrollment periods during the year. In December, you may elect to defer salary payable in the following year, and/or perquisite allowance payable in the following year. In June, you may elect to defer STIP payable in the following year. An email is sent to eligible employees informing them of the start of an enrollment period.

Supplemental Employer-Provided Retirement Benefits

The SRSP provides you with the opportunity to receive the full employer matching contribution, which, because of limitations imposed by law, cannot be provided through the tax-qualified PG&E Corporation Retirement Savings Plan (RSP). You will receive:

- Matching Employer Contributions that could not be made through the tax-qualified RSP due to IRS limitations. Your benefit is based on your eligible employer match through the RSP, the percentage of annual pay you contributed to the RSP, either as pre-tax deferrals or after-tax contributions, and the amount of employer match already credited to the RSP for the year. This Plan will make up any difference in the employer match that you received through the RSP and the amount you would be otherwise entitled to under the terms of the RSP.
- Supplemental employer provided benefits will be paid seven months following retirement or termination, or as soon as possible following death. No alternate distribution options are permitted.

Taxation

Although the compensation that you defer will not be subject to income tax until the amounts are paid to you, the deferred compensation will be subject to FICA tax at the time the deferred amounts are credited to your SRSP account. The full amount of any distribution from the SRSP is subject to federal and state income tax when paid to you.



Credits to Accounts

- **Employee Deferrals:** Salary deferrals to the SRSP are credited to your account each payroll period. All other compensation deferrals attributable to allowances, awards, bonuses, and other payments shall be credited as of the date that they would have otherwise been paid.
- **Supplemental Employer-Provided Retirement Benefits:** SRSP employer contributions shall be credited on the first business day of February of the calendar year for benefits earned in the preceding year. You must be employed by a participating employer of PG&E Corporation as of December 31 of a given calendar year to receive a supplemental retirement benefit for that year.

Investment Options

Participants may elect to invest their deferrals in any combination of the following investments:

PG&E Corporation Phantom Stock Fund converts contributions and transferred amounts into units of phantom common stock valued at the closing price of a share of PG&E Corporation common stock on the contribution/transfer date. If the transfer request is received after the market closes, the following day's closing price will be used. Thereafter, the value of a unit shall fluctuate depending on the price of PG&E Corporation common stock. Each time a dividend is paid on common stock, an amount equal to such dividend shall be credited to the account as additional units.

SRSP Large Company Stock Index Fund seeks to match the returns of the S&P 500 Index. The Fund invests in all 500 stocks in the S&P 500 Index in proportion to their weightings in the Index. The S&P 500 provides exposure to about 85% of the market value of all publicly traded common stocks in the United States. The strategy of investing in the same stocks as the S&P 500 Index provides reliable exposure to this asset class and results in lower expenses.

SRSP Small Company Stock Index Fund seeks to match the returns of the Russell Small Cap Completeness Index. The Fund invests in all of the stocks in the Russell Special Small Cap Completeness Index in proportion to their weightings in the Index. The Russell Small Cap Completeness Index represents about 15% of the market value of all publicly traded common stocks in the United States. The strategy of investing in the same stocks as the Russell Small Cap Completeness Index provides reliable exposure to this asset class and results in lower expenses.

SRSP International Stock Index Fund seeks to match the returns of the MSCI World ex-US Index. The Fund invests in all of the stocks in the MSCI World ex-US Index in proportion to their weightings in the Index. The MSCI World ex-US index provides exposure to Canada as well as developed market countries in Europe, Australasia, and the Far East. The strategy of investing in the same stocks as the MSCI World ex-US provides reliable exposure to this asset class and results in lower expenses.

SRSP Bond Index Fund seeks to match the returns of the Barclays Capital Aggregate Bond Index. The Fund invests in a portfolio of government, corporate, mortgage-backed, and asset-backed fixed-income securities that is representative of the broad domestic bond market. The Barclays Capital Aggregate Bond Index is an unmanaged, market-value weighted index of investment-grade, fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more. The strategy of investing in a portfolio of bonds designed to track the Barclays Capital Aggregate Bond Index provides reliable exposure to this asset class and results in lower expenses.



SRSP Stable Value Fund seeks to provide safety of principal and liquidity while providing a relatively stable rate of return. The Fund invests in a diversified portfolio of high credit quality fixed income instruments. These investments are wrapped by investment contracts issued by insurance companies, banks and other financial institutions that provide protection for differences between book and market values. The creditworthiness of the wrapped fixed income investments is primarily derived from the credit quality of the underlying securities and not the wrap contract issuers. The Fund's return is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

AA Utility Bond Fund accrues interest on the amount invested in this fund. The interest rate is equal to the AA Utility Bond Yield reported by Moody's Investor Services.

SRSP Target Date Funds are a suite of funds that provides investors with convenient, cost-effective exposure across major global asset classes within single investment options. The suite consists of nine funds targeting a normal retirement age of 65. These broadly diversified vehicles combine low-cost stock and bond strategies and automatic rebalancing with professional judgment regarding the appropriate risk level for a specific retirement date. On an annual basis, the SRSP Target Date Funds incrementally reduce exposure to equities and increase exposure to fixed income assets as the target retirement date approaches. This equity roll down continues for five years after the target retirement date, at which time a fixed income-oriented allocation of 65% is combined with 35% stocks that is maintained indefinitely within the RSP Target Retirement Income Fund. A participant typically invests in one fund within the suite which fund reflects a target retirement date closest to the anticipated retirement date of the participant.

SRSP Total US Stock Index Fund seeks to match the returns of the Russell 3000 Index. The Russell 3000 Index represents the 3,000 largest stocks in the US market and accounts for approximately 97% of the US stock market's capitalization. The strategy of investing in the same stocks as the Russell 3000 Index provides reliable exposure to this asset class and results in lower expenses.

SRSP World Stock Index Fund seeks to match the returns of the MSCI All Country World Index over the long term. The MSCI All Country World Index invests in the US, Canada, Europe, Australasia and Far East countries and emerging markets. The strategy of investing in a portfolio of stocks designed to track the MSCI All Country World Ex-US Index provides reliable exposure to this asset class and results in lower expenses.

SRSP Emerging Markets Enhanced Index Fund seeks to provide a total investment return in excess of the performance of the MSCI Emerging Markets Index over the long term. The MSCI Emerging Markets Index invests in emerging market countries. The strategy attempts to identify and capitalize on inefficiencies in the emerging markets by employing a disciplined investment process that combines top-down country selection with bottom-up stock selection to determine an optimal country and security mix. Portfolio construction is risk-controlled, with the goal of a well-diversified portfolio that has characteristics similar to the benchmark and superior performance potential.

SRSP US Government Bond Index Fund seeks to match the returns of the Barclays Capital US Government Bond Index. The Fund invests in a well-diversified portfolio that is representative of the Barclays Capital US Government Bond Index, which consists of US Government and government agency securities (other than mortgage securities) with maturities of one year or more. The strategy of investing in a portfolio of stocks designed to track the Barclays Capital US Government Index provides reliable exposure to this asset class and results in lower expenses.

Investment Reallocations

All or part of any account balance and/or future deferrals may be reallocated between the investment funds at any time subject to the transaction requirements of Rule 16b-3. Such action



may be taken by visiting Fidelity's NetBenefits site at www.401k.com. Requests received by 4:00 p.m. Eastern time will be processed using that day's prices. For Section 16 officers, requests involving PG&E Corporation Phantom Stock will automatically be forwarded to the Plan Administrator and must be approved by 4:00 p.m. Eastern time to be processed using that day's prices. Participants are not allowed to make more than one exchange into or out of PG&E Corporation Phantom Stock in any seven-day period.

Distributions

At the time a deferral election is made, an employee must make an election regarding the timing of the distribution. There are two alternatives:

1. A lump-sum distribution seven months following termination/retirement.

If a lump-sum distribution seven months following termination/retirement is elected, it may not be modified at a later date.

2. A lump-sum distribution in January of a year specified by the employee.

You may alter a specific year election at a later date as long as the alteration meets the following requirements:

- The alteration is not effective until 12 months from the date of the new election.
- The alteration must be made at least 12 months before the previously scheduled date.
- The rescheduled payment must occur at least five years after the previously scheduled date.

In the event of a participant's death, a lump-sum distribution will be made to the beneficiary as soon as practicable following the date of death.

In the event of a divorce, distribution will be made as specified under a Qualified Domestic Relations Order (QDRO).

Hardship Distribution

In the event of an immediate and heavy financial need, a participant may request a hardship withdrawal of all or a portion of their account balance by submitting a hardship distribution request form to the Plan Administrator. To be eligible for a hardship withdrawal, the participant must have exhausted all other financial resources--insurance proceeds, liquidation of other financial assets, loans from commercial intermediaries, etc. The Plan Administrator may require evidence to determine if the distribution is warranted and has sole discretion to authorize such distribution. Payment will be made as soon as practicable, after approval. No further deferrals will be permitted in the calendar year.

Special Rules Regarding Special Incentive Stock Ownership Premiums (SISOPs)

Except as indicated below, balances attributable to SISOPs shall be treated in the same manner as all other employee deferrals or retirement contributions.

- Units attributable to SISOPs and associated dividend equivalents are subject to specific vesting rules and may not be reallocated to other investment funds. Unvested units may be forfeited upon termination of employment. Please contact PG&E Corporation Human Resources for more information.



- Distributions attributable to SISOPs shall be made only in the form of stock certificates rounded down to the nearest whole share, net of shares required for withholding.
- Distributions attributable to SISOPs shall only be made seven months following termination/retirement.

Note: FICA and Medicare taxes are payable on SISOPs at the time they vest. These amounts will be deducted from the regular paycheck.

Beneficiary Designations

One or more beneficiaries may be designated to receive any distribution payable due to the death of a participant. Although participants may have already designated a beneficiary for the Retirement Savings Plan, they will also need to establish a beneficiary for the SRSP. To establish a beneficiary for an SRSP account, participants must log on to Fidelity NetBenefits at www.401k.com. If a participant should die without having designated a beneficiary, the account shall be paid according to the Plan document.

Statements of Account

SRSP statements are set up as online default. Quarterly statements will be mailed unless the participant logs on to NetBenefits, at which time the participant's statement will default to online. Participants may change back to paper statements via NetBenefits.

Plan Administrator

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For more information, please contact:

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Employers' Obligations Limited

Your account balance, including any income you have elected to defer under this Plan, and your right to receive a distribution of such account balance represent an unsecured claim against the general assets of the Corporation. While PG&E Corporation may choose to invest a portion of its general assets in investments identical or similar to those selected by Plan participants for their account balances, nothing contained in the Plan shall give any participant or beneficiary any interest or claim against any specific assets of PG&E Corporation.

The Board of Directors, acting through its Compensation Committee, reserves the right to alter, amend, or terminate the Plan. However, any such amendment or termination shall not divest any portion of an account that is vested under the Plan.

Securities Laws Considerations

Please be aware that your decision to participate in the PG&E Corporation SRSP may be viewed as an investment decision subject to the federal securities laws. By enrolling in the SRSP, you will have made the following representations regarding your investment knowledge and experience.



Investment Representations. As an inducement to the Corporation to permit participation in the Plan, and in order to establish the suitability of an employee for participation, the employee hereby represents and warrants to the Corporation as follows:

(i) **Investment Intent.** The employee is aware of and familiar with the Corporation's business affairs and financial condition and has acquired sufficient information about the Corporation to reach a knowledgeable and informed decision to participate in the Plan. The employee desires to participate in the Plan primarily as a method to defer the payment of income taxes on compensation that would otherwise be taxable in the year of receipt.

(ii) **Experience.** The employee has such knowledge and experience in financial and business matters that the employee is capable of evaluating the merits and risks of participation in the Plan.

(iii) **Risks.** The employee understands that an investment return on compensation deferred into the Plan is not guaranteed, that the Corporation's obligations under the Plan are unsecured, and that the employee must bear the economic risks of participation in the Plan until the time at which the employee has designated distribution should be made (subject to earlier distribution upon death). The employee is able to bear these economic risks and to participate in the Plan in accordance with its terms for the designated period.

(iv) **Information.** The employee has received all information and data with respect to the Corporation which the employee has requested and has deemed relevant in connection with an evaluation of the merits and risks of participation in the Plan, including the Corporation's Annual Report to Shareholders and Annual Report on Form 10-K for the most recent fiscal year, Quarterly Reports on Form 10-Q for the interim periods following the end of such fiscal year, and the Corporation's proxy statement for its last annual meeting of shareholders. The employee does not desire any further information or data with respect to the Corporation.

It is important that you review this information before making your deferral and investment elections. The Corporation will rely on these representations in permitting your participation in the plan. Please contact Kathleen Hayes at 415-817-8204 if you have questions regarding the application of securities laws.

“Old” Plan

Deferrals credited and vested prior to January 1, 2005 are governed by a predecessor plan. The key differences involve the investment options available and the distribution rules.

Investment Options

Pre-2005 deferrals are limited to the following three options:

PG&E Corporation Phantom Stock Fund converts contributions and transferred amounts into units of phantom common stock valued at the closing price of a share of PG&E Corporation common stock on the contribution/transfer date. If the transfer request is received after the market closes, the following day's closing price will be used. Thereafter, the value of a unit shall fluctuate depending on the price of PG&E Corporation common stock. Each time a dividend is paid on common stock, an amount equal to such dividend shall be credited to the account as additional units.



SRSP Large Company Stock Index Fund seeks to match the returns of the S&P 500 Index. The Fund invests in all 500 stocks in the S&P 500 Index in proportion to their weightings in the Index. The S&P 500 provides exposure to about 85% of the market value of all publicly traded common stocks in the United States. The strategy of investing in the same stocks as the S&P 500 Index provides reliable exposure to this asset class and results in lower expenses

AA Utility Bond Fund accrues interest on the amount invested in this fund. The interest rate is equal to the AA Utility Bond Yield reported by Moody's Investor Services.

Distributions

Distribution is made in a lump-sum in January of the year following termination/retirement.

In the event of a participant's death, a lump-sum distribution will be made to the beneficiary as soon as practicable following the date of death.

In the event of a divorce, distribution will be made as specified under a Qualified Domestic Relations Order (QDRO).

Alternate Distribution Option

An employee may make an election to receive the full account balance in a specified number of approximately equal annual installments (not to exceed 10) commencing in January of the year following retirement. This election will stay in place unless you file a new written distribution election with the Plan Administrator. You may alter a previously filed election as long as the alteration is made at least one year prior to the commencement of payments. Distribution elections may not apply in the event of divorce.

You are considered retired if, at the time your employment terminates, you are at least 55 years of age and have at least 5 years of service. If you elect installments and are not considered retired at termination, distribution will be made in a lump-sum rather than installments.

Hardship Distribution

In the event of an immediate and heavy financial need, a participant may request a hardship withdrawal of all or a portion of their account balance by submitting a hardship distribution request form to the Plan Administrator. To be eligible for a hardship withdrawal, the participant must have exhausted all other financial resources--insurance proceeds, liquidation of other financial assets, loans from commercial intermediaries, etc. The Plan Administrator may require evidence to determine if the distribution is warranted and has sole discretion to authorize such distribution. Payment will be made as soon as practicable, after approval. No further deferrals will be permitted in the calendar year.

Immediate Distribution (Non-Hardship)

By filing a request for an immediate distribution with the Plan Administrator, you can request a full or partial distribution of your account at any time and for any reason. Payment will be made as soon as practicable. A 10% penalty will be assessed on the value of the distribution request and no future deferrals will be allowed for 24 months following the distribution.

Early Distribution

By filing a request for an early distribution with the Plan Administrator, you can request a full or partial distribution of your account be made in January of the second Plan year following the date of the request. For example, an early distribution requested in 2010 would be paid in January 2012. Such a request is irrevocable and must be made at least one year before retirement or termination.

