Summary of Benefits Handbook — Retirement Programs

For Employees Represented
by the IBEW, ESC and SEIU

PG&E®

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Welcome!

This is the 2013 edition of your Summary of Handbook for Retirement Programs, which describes your retirement benefits effective January 1, 2013.

“Company” Defined

Throughout this section, unless otherwise stated, reference to “Company” or “PG&E” means Pacific Gas and Electric Company. The plans and benefits described in this section are also applicable to employees of PG&E Corporation and its designated subsidiaries, but only to the extent that such entities are participating employers with respect to the described plans or programs and such employees meet the eligibility requirements of the plans or programs.

Who Is Eligible

- **You are eligible** to enroll in the benefits described in this Handbook if you are a full-time, part-time or probationary union-represented employee.
- **You are not eligible** to participate in the benefits described in this Handbook if you are a temporary employee who is not expected to become a regular employee, a Management, Administrative & Technical employee, a contract, agency, or hiring hall employee; or a retiree of the Company.

Some benefits described in this Handbook, such as Retiree Health Care coverage, have additional criteria you must meet to be eligible.

The Benefits Available

The Company offers IBEW-, ESC- and SEIU-represented employees certain benefits that give you choices and may require you to make election decisions. Other benefits do not require election or enrollment decisions; you are automatically covered if you are an eligible participant. For details on the various Retirement Program provisions, see individual plan sections in this Handbook. You may also reference the ***What If…*** subsections in this Handbook for actions you may need to want to take when you experience a work/life event.

Please consult the Summary of Benefits Handbook dated January 1, 2011 for information regarding:

- Health Care Benefits,
- Sick Leave and Disability,
- Life and Accident Insurance Plans
- Time Off and Leaves, and
- Work/Life Benefits

A new consolidated Handbook, effective January 2014 will be issued in the first quarter of 2014.

Whether you have just joined the Company and are about to choose your benefits for the first time or you are considering changing your existing benefits elections, you should evaluate your options with care. Be sure to consider your future as well as your present needs when making your benefit decisions.

Questions?

If you have any questions about your benefits that are not answered by this Handbook or other benefit plan documents, you can contact the HR Service Center at Company extension 8-223-4357, externally at 415-973-HELP (415-973-4357) or toll-free at 800-788-2363. You can also send an email to the HR Service Center at hrbenefitsquestions@exchange.pge.com or contact your union Business Representative or the Local Union Headquarters. If you have questions about the Retirement Savings Plan, contact the RSP Service Center at 877-PFE-401k or 877-743-4015.

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About this Handbook

This Handbook and other applicable Summary Plan Descriptions (SPDs) are for your future reference when you want to find details about PG&E benefit plans and programs. When changes are made to these programs, PG&E communicates those changes to employees. In many, but not all instances, changes are communicated through Summaries of Material Modifications (SMMs) and other employee notices. SMMs are frequently part of the Open Enrollment materials. Please keep the communications that notify you of changes in the employee benefit programs with this Handbook for future reference. You can also access SMMs, other reference documents and this Handbook online at www.mypgebenefits.com.

Plan Documents Govern

The plan document for the plans described in this Handbook, the terms of this Summary of Benefits Handbook which pertain to the respective plans, and the documents which are Summaries of Material Modifications to those plans govern the operation of the plans. If a conflict exists between these documents and any other communications or documents, these documents shall govern the operation of the plans. However, in the event of any conflict between the terms of this Summary of Benefits Handbook and/or Summaries of Material Modifications and the formal plan documents, the formal plan documents will control.

The Employee Benefit Committee of PG&E Corporation is the Plan Administrator of these plans and has the discretionary authority to interpret and construe the terms of the plan documents, to resolve any conflicts or discrepancies between documents and to establish rules which are necessary or desirable for the administration of the plans.

Xerox HR Services is the third-party administrator engaged by the Plan Administrator to fulfill certain recordkeeping and administrative functions for the Retirement Plan.

Plan Amendment and Termination

The Company, acting through its authorized representatives, reserves the right to amend or terminate any or all of the plans described in this Handbook at any time and for any reason, or to suspend contributions to the plans, in whole or in part, at any time, subject to any applicable collective bargaining agreements.

Any change to the plans or the termination of any plans will not affect the benefits payable to plan members (also known as "participants") before the date the plan was changed or ended, but such change may result in reduced levels of benefits or benefit coverage, or higher levels of employee contributions, after the effective date of any such change.

In the event that the Company terminates a plan for any reason without replacing it, you will be given notice.

The plans may also be terminated by judicial action if the Company is bankrupt or insolvent, or upon complete dissolution, merger, consolidation or reorganization without provision by a successor-company for continuation of the plans.

Retirement Benefits

The Company offers four benefit plans that help you plan and save for your financial security after your retirement:

- The Pacific Gas and Electric Company Retirement Plan (the "Retirement Plan")
- The PG&E Corporation Retirement Savings Plan for Union-Represented Employees (the "Retirement Savings Plan," or "401(k) Plan")

"Company" Defined

Throughout this section, unless otherwise stated, reference to "Company" or "PG&E" means Pacific Gas and Electric Company. The plans and benefits described in this section are also applicable to employees of PG&E Corporation and its designated subsidiaries, but only to the extent that such entities are participating employers with respect to the described plans or programs and such employees meet the eligibility requirements of the plans or programs.

- The Pacific Gas and Electric Company Health Care Plan for Retirees and Surviving Dependents
- The Pacific Gas and Electric Company Postretirement Life Insurance Plan

The Retirement Plan is a "defined benefit" plan, which means eligible participants receive a fixed pension benefit that is based on a defined formula reflecting credited service and pay. The Retirement Plan has two pension benefit formulas:

- A Final Pay Pension formula; and
- A Cash Balance Pension formula.

To find out which pension benefit formula applies to you, see the *Retirement Plan at a Glance* section. For a detailed description of each formula, see the *Retirement —Final Pay Pension Benefit* and the *Retirement — Cash Balance Pension Benefit* sections.

The Retirement Savings Plan, sometimes referred to as the 401(k) plan, is a "defined contribution" plan, which means eligible participants receive a benefit based on contributions made to the plan. A participant's benefit varies with the amount of personal and Company contributions made to the plan as well as investment gains and losses on these contributions. The Retirement Savings Plan offers two company matching benefits — a company match of $0.60 per dollar on your contributions of up to 3 percent or 6 percent of pay, depending on years of service, if you are earning a benefit under the Final Pay Pension formula, or a higher 401(k) company match benefit of $0.75 per dollar on your contributions up to 8 percent of pay if you are participating in the Cash Balance Pension. To find out more about your Retirement Savings Plan benefits, please refer to the *Retirement Savings Plan* section.

The Health Care Plan for Retirees and Surviving Dependents provides medical, mental health/substance abuse treatment and prescription drug coverage for eligible retirees and their spouses/registered domestic partners and/or dependents. A detailed summary description of the Retiree Medical Savings Account (RMSA) you earn while you are working is included in this section. Additional information on RMSA and retiree medical coverage is available in the *Summary of Benefits Handbook for Retirees and Surviving Spouses* in the **Benefit Plan Documents** section of the PG&E@Work intranet.

The Postretirement Life Insurance Plan provides eligible retirees with a specific amount of life insurance coverage. A summary description of the Retirement Life Insurance coverage is included in this section. For more information about life insurance and administrative information, see the *Life and Accident* section of the Summary of Benefits Handbook. Additional information is also available in the *Summary of Benefits Handbook for Retirees and Surviving Spouses* in the **My Benefits** section of the PG&E@Work for Me intranet.

The Company also makes contributions towards your future Social Security retirement benefits. These contributions are in addition to the deductions for Social Security taxes taken out of your paycheck. Go to **www.ssa.gov** for more information about Social Security benefits.

You should plan carefully for your financial security after you retire. In addition to Social Security and the two retirement income plans available through the Company, your individual savings are a vital component in ensuring the lifestyle you desire when you retire. You may want to consult with a financial planner to develop an individual savings plan that is most appropriate for your future needs.

Retirement Plan at a Glance

The Pacific Gas and Electric Company Retirement Plan (the "Retirement Plan") provides eligible participants with a pension benefit, payable as a monthly annuity, that serves as a valuable part of your retirement income. It's important for you to understand how the Plan works and what kind of income you can expect from it so that you can begin planning for your retirement now. Your own savings, plus the benefits available to you from the Retirement Plan, the Retirement Savings Plan and Social Security, all contribute to your financial health in retirement.

Ready to Retire?

You must request a Retirement Package in writing 90 days before the date on which you want to retire. Your completed paperwork must be received by the HR Service Center at least 30 days prior to your retirement date. If you have questions about initiating your retirement request, you can send an e-mail to the HR Service Center at HRBenefitsQuestions@exchange.pge.com, or you can contact the HR Service Center at 415-973-4357 or toll-free at 800-788-2363. See "Payment Options" for more information about making your retirement elections. Be sure to notify your supervisor of your retirement so your last paycheck will be processed in a timely manner. If you are divorced, you may need to obtain a Qualified Domestic Relations Order (QDRO) to divide your pension benefit with a former spouse. See "If You Get Divorced" under the Final Pay Pension or Cash Balance Pension sections for more information, including important details about submitting your retirement paperwork if you are divorced but do not have a QDRO.

The Retirement Plan Benefit Formulas

When you retire, the Retirement Plan will pay you a pension benefit based on your eligible service and your pay. There are two retirement benefit formulas that may apply, based on your employment date and, in some cases, your benefit election. Both formulas provide a benefit that does not increase with inflation or otherwise once you begin receiving payments. Benefits under the Final Pay Pension are generally payable only as a monthly annuity; you will receive a fixed monthly amount for your lifetime, or for the combined lifetime of you and your spouse or named beneficiary. If you have a Cash Balance Pension account, you have the option to elect a single lump sum payout of your Cash Balance Pension account.

Final Pay Pension Formula

The Final Pay Pension formula applies to PG&E union-represented employees who were participants in the Retirement Plan prior to January 1, 2013. If you are rehired in 2013 or later, you automatically participate in the Cash Balance Pension. Under the Final Pay Pension formula, your pension is determined by your final pay 30 days before you terminate employment and your years of credited service. For more information, see the *Final Pay Pension Benefit* section.

Employees participating in the Final Pay Pension formula who elect to participate in the Cash Balance Pension formula during the one-time pension choice period in 2013 stop earning benefits under the Final Pay Pension formula when the Cash Balance Pension benefits are effective.

Cash Balance Pension Formula

The Cash Balance Pension formula applies to eligible PG&E employees hired or rehired on or after January 1, 2013, and employees participating in the Final Pay Pension who elect a Cash Balance Pension during the one-time pension choice period offered in 2013. Under the Cash Balance Pension formula, your pension benefit consists of pay credits plus interest accumulated in your cash balance account over time.

For more information, see the *Cash Balance Pension Benefit* section.

Retirement Plan Highlights

- Participation in the Retirement Plan begins on your first day with the Company, including any participating employer; there is no waiting period to begin earning a benefit. See the "Participating in the Plan" subsection in the *Cash Balance Pension Benefit* section and in the *Retirement —Final Pay Pension Benefit* section for information regarding employees of PG&E Corporation and its designated subsidiaries.
- You have a vested right to your Retirement Plan benefits at the earlier of either three years of service (if you have a benefit under the Cash Balance Pension formula) or five years of service (if you only have a benefit under the Final Pay Pension) with the Company, or at age 55. Once vested, you are eligible to receive a fixed benefit at retirement.
- No employee contributions are required.
- If you die while employed, a benefit may be payable to your spouse or named beneficiary (you must complete a Pre-Retirement Beneficiary Designation to name someone other than your spouse as beneficiary, or to designate a secondary/contingent beneficiary).
- At retirement, you can elect monthly pension benefits for your lifetime, or for the combined lifetime of you and your spouse or named beneficiary. With cash balance, you can also elect to receive your cash balance account in a single lump sum payout
- Once you have started receiving pension benefits, any elections you have made with respect to those benefits are irrevocable, except as noted under the "Changing Your Election" subsection in the *Retirement —Cash Balance Pension Benefit* or *Retirement — Final Pay Pension Benefit* section.
- Xerox HR Services is the third-party administrator engaged by the Plan Administrator to fulfill certain recordkeeping and administrative functions for the Retirement Plan.

See the respective plan descriptions for more details.

Retirement Plan — Final Pay Pension Benefit

The Retirement Plan is a “defined benefit” plan, which means eligible participants receive a fixed pension benefit that is based on a defined formula reflecting credited service and pay. The Retirement Plan has two pension benefit formulas, and this section describes the Final Pay Pension formula.

Benefits under the Final Pay Pension are generally payable only as a monthly annuity; you will receive a fixed monthly amount for your lifetime, or for the combined lifetime of you and your spouse or named beneficiary.

Employees participating in the Final Pay Pension who elect to participate in the Cash Balance Pension during the one-time pension choice period in 2013 stop earning benefits under the Final Pay Pension when the Cash Balance Pension benefits are effective.

Final Pay Pension Benefit at a Glance

This is the Summary Plan Description for benefits under the Pacific Gas and Electric Company Retirement Plan (the “Retirement Plan”) Final Pay Pension formula for union-represented participants. Separate summary plan descriptions are provided to describe the benefits and eligibility for other Retirement Plan formulas.

- Under the Retirement Plan’s Final Pay Pension formula, you earn a pension benefit based on your pay and your years of credited service at retirement.
- Participation in the Retirement Plan for most employees (excluding hiring hall, temporary additional or outage employees) begins on your first day with the Company; there is no waiting period to begin earning a benefit.
- You’re 100 percent vested in your Final Pay Pension after five years of eligible service with the Company or reaching age 55 while an employee of the Company.
- When you retire, you receive a fixed monthly benefit (an “annuity”) for life.
- You may retire as early as age 55, but your monthly benefit will be reduced for early retirement, unless you have enough credited service to qualify for an unreduced pension.
- If you retire before age 65 and have at least 30 years of credited service, there is no reduction in your monthly pension benefit for early retirement.

Participating in the Final Pay Pension

- You are eligible to participate in the Final Pay Pension if you are employed in an eligible classification prior to January 1, 2013 by Pacific Gas and Electric Company or any other company, association or credit union formally designated to participate in the Retirement Plan.

Additionally, if you elect to participate in the Cash Balance Pension during the one-time pension choice period offered in 2013, your Final Pay Pension shall be frozen as of December 31, 2013 and based solely on eligible pay and credited service at the time you ceased to earn additional benefits under this pension formula.

If you terminate employment and are rehired on or after January 1, 2013, you will not participate in the Final Pay Pension upon rehire. Instead, you will participate in the Cash Balance Pension upon return. In certain limited circumstances, such as if you were employed in an eligible classification on December 31, 2012, terminated employment but were rehired during 2013, you are also eligible to participate in the Final Pay Pension and to make a one-time pension choice election. You will be notified if this special rule applies to you.

Automatic Participation

Generally, employees hired prior to January 1, 2013, automatically began to participate in the Final Pay Pension on their first day of work.

You are not eligible to participate in the Final Pay Pension if you:

- are hired or rehired on or after January 1, 2013 (except as noted above);
- elect the Cash Balance Pension during the one-time pension choice period offered in 2013 (in which case your participation in the Final Pay Pension ends on December 31, 2013); or
- are a hiring hall, outage, temporary, additional, or intermittent employee under the IBEW Physical Agreement (who has not attained regular status), or any other individual excluded under the terms of an applicable agreement with a union.

Cost of the Plan

PG&E pays the full cost of your Final Pay Pension benefit. You are not required or permitted to make any contributions to the Plan.

How the Final Pay Pension Works

The Plan is designed to provide you with income when you retire from PG&E. Benefits under the Final Pay Pension are based on a formula that takes into account your pay 30 days before your service ends, and length of credited service with the Company. The actual amount you receive from the Retirement Plan will also vary depending on:

- when you choose to retire;
- your age when benefits begin; and
- any joint pension election you choose.

See "Your Pension Benefit" on page 14 for additional information.

Estimates of Your Pension Benefit

You have a right to know the amount of your vested monthly benefit in the PG&E Retirement Plan. To assist you in understanding your pension benefit, you may use the Pension Estimator which is located in the **Retirement Plan (Pension)** section of the PG&E@Work intranet site to calculate your estimated monthly benefit based on information and assumptions that you enter.

You may also request a pension estimate by sending an e-mail to the HR Service Center at HRBenefitsQuestions@exchange.pge.com, or you can contact the HR Service Center at 415-973-4357 or toll-free at 800-788-2363. If you are seriously considering retirement in the near future, you must notify the HR Service Center in writing 90 days before your proposed retirement date.

Pension estimates — whether performed by you or obtained through the HR Service Center — are not binding and are subject to final review of payroll and employment data, as well as applicable Retirement Plan provisions. If a mistake is made, you will be paid the correct amount, even if that amount is less than the estimated amount.

Your Pension Benefit

The Retirement Plan uses the following formula to determine your Final Pay Pension benefit payable as of the first of the month following your 65th birthday:

Final Basic Weekly Pay Converted to Monthly Equivalent Pay *	×	1.5% × Credited Service Up to 25 Years	PLUS	1.6% × Credited Service Over 25 Years	=	Monthly Pension Benefit

* Basic Weekly Pay as of 30 days before retirement/termination date, rounded up to nearest $10, multiplied by 52 weeks, divided by 12 months.

The following example illustrates how the formula works. Let's assume you retire at age 65 with 30 years of credited service (for more information, see "Credited Service" on page 15). Let's also assume your basic weekly pay (defined below) and monthly equivalent pay are as follows:

- Basic Weekly Pay as of June 1, 2013 = $1,384.85 ($1,390.00 after rounding)
- Monthly Equivalent Pay = ($1,390.00 × 52/12) = $6,023.33

Monthly Equivalent Pay		Formula		Monthly Pension Benefit
$6,023.33	×	{(.015 × 25) + (.016 × 5)}	=	$2,740.62

In this example, your monthly pension benefit payable beginning at normal retirement (age 65) in the form of a single life annuity would be $2,740.62.

Basic Weekly Pay

Your "basic weekly pay" is equal to your straight-time rate of pay for the basic work week as of the 30th day before your retirement/termination, not including any temporary upgrade pay, or premium pay, or any benefits of any kind, rounded up to the nearest ten dollars.

This rate of pay is increased:

- by 2.75 percent for all clerical employees who received the 1988 lump-sum payment; or by 3.75 percent for clerical employees who received the 1988 and 1989 lump-sum payments; and
- by 4 percent for all former Pacific Gas Transmission Company employees who received the 1991 PGT lump-sum payment; and
- to a minimum basic weekly rate of pay of $1,280.36 for IBEW Clerical employees, and $1,311.87 for all other union-represented employees for calendar year 2013, as increased in subsequent years to reflect applicable general wage increases.

Special rules may apply to the determination of the appropriate basic weekly pay in the event that:

- you have at least 10 years of credited service and, due to a lack of work situation or physical disability, you are demoted, or you transfer or bid down before your retirement date;
- you are an inactive employee not on long-term disability; or
- you are receiving long-term disability benefits.

Additional Retirement Income

A special Plan feature also provides for an additional monthly pension for Retirement Plan participants who receive shift premiums, Sunday premiums and nuclear premiums. This additional benefit is based on applying the Final Pay Pension formula to the average monthly straight-time premium received in the calendar year before retirement; however, if you elected the Cash Balance Pension during the one-time pension choice period offered in 2013, your additional retirement income will be determined as described above, for the period from January 1, 2013 through December 31, 2013. You must be at least age 55 when your employment ends to receive this benefit.

Credited Service

Generally, as an eligible employee, you begin to earn service credit under the Retirement Plan beginning on your date of hire.

Regardless of any other Retirement Plan provision, you will not earn credited service under the Final Pay Pension on and after the date you cease to be eligible to participate in the Final Pay Pension.

Credited Service After 1975

As a participant, you are given service credit for all periods of continuous employment with the Company and participating employers, including periods when:

- you are on an authorized leave;
- you remain employed and are entitled to receive sick leave pay or benefits from the Company's Long-Term Disability Plan, Workers Compensation, or the Supplemental Benefits for Industrial Injury Plan; PG&E Corporation's Disability Plans or State Disability Insurance Plan;
- you are performing qualified military service (as long as your re-employment rights are protected by law) and return to work;
- you are laid off for lack of work for less than 12 continuous months, if you had less than five years of credited service; or
- you are laid off for lack of work for less than 24 continuous months, if you had five years or more of credited service.

Your credited service will end as of the earliest date on which you quit, retire or are discharged, the date of your death, or the first anniversary of the date you are absent from work for any reason not described above.

Credited Service Before 1976

Credited service prior to January 1, 1976, is calculated under the terms of the Retirement Plan in effect at that time. That is, if you joined the Retirement Plan when you first became eligible and were a regular employee who had completed one year of service, your credited service started with your employment date. If you did not join when you were first eligible and you did not take advantage of the one-time opportunity to "buy back" time in 1981, your credited service started with the date you joined the Retirement Plan.

Credited Service for Part-Time or Intermittent Employees

All credited service earned while you are a part-time or intermittent employee after December 31, 1990, will be prorated based on the ratio of actual straight-time hours worked in the calendar year to the full-time equivalent hours (2080). All service as a part-time or intermittent employee prior to January 1, 1991, will be considered full-time service. If you became a part-time employee prior to 1991, your part-time service prior to 2001 will be considered full-time service.

A representative of the HR Service Center can help you calculate your total service credits under these rules. For information about how breaks in service affect Retirement Plan benefits, see "Breaks in Service" on page 17.

Credited Service Upon Re-Employment

If your employment with the Company ends and you are rehired after January 1, 2013, you will participate in the Cash Balance Pension going forward. If your rehire date was before January 1, 2013, and in limited circumstances for rehires after January 1, 2013, you may be eligible to receive credit for your past service, provided you have not started to receive your pension benefit. Whether your past service is counted depends upon the following:

- the amount of credited service you had before you left the Company;
- how much time passed before you were rehired;
- when your termination and rehire took place; and
- if you were a member of the Retirement Plan before 1972, whether or not you withdrew your contributions to the Retirement Plan.

Generally before January 1 2013, you did not have a break in service if you returned to work within 12 months after your service ended. In this case, your service was considered continuous and included the time you were not working for the Company. However, calculation of a break in service may be determined under different rules, depending on when the break occurred. See “Breaks in Service” on page 17 for important information on credited service.

If you left the Company due to termination or retirement, began receiving your pension benefit, and were rehired before 2013, you began to accrue a new pension benefit from the date of rehire. If you are rehired on or after January 1, 2013, you will begin to earn a new benefit under the Cash Balance Pension. Your prior service will not be recognized for Final Pay Pension benefit purposes, but will be recognized for purposes of determining eligible pay credits under the Cash Balance Pension. See “How the Cash Balance Pension Works” for more information.

Vesting

You are 100 percent vested in the value of your Final Pay Pension benefit at the earliest of the following events:

- attaining age 55 while an employee of the Company; or
- completing five or more years of service; or
- completing three or more years of service if you are earning a benefit under the Cash Balance Pension formula.

For vesting purposes, service includes the period of time beginning with the first day you are employed with the Company and generally continues through the date when you terminate employment with the Company. If you terminate employment with the Company before vesting, you will lose your right to receive Retirement Plan benefits.

Breaks in Service

A break in service may affect your credited service for pension calculation purposes. If you do not meet the following requirements, your service before the break is not included in calculating credited service for the Retirement Plan.

Breaks in Service Beginning:

On or After January 1, 1989

If you had five or more years of credited service when your employment ended, your credited service before the break will be counted. If you had less than five years of credited service, your credited service before the break will be canceled unless the break in service was shorter than five years.

On or After January 1, 1987, But Before January 1, 1989

If you had at least 10 years of credited service when your employment ended, your credited service before the break will be counted. If you had less than 10 years of credited service, your credited service before the break will not be counted if the period of break in service was equal to or exceeded the greater of:

- five years, or
- the period of credited service before your break in service.

On or After January 1, 1976, But Before January 1, 1987

If you had ten or more years of credited service when your employment ended, your credited service before the break will be counted. If you had less than ten years of credited service, your years of credited service before the break will be counted if the period of the break was less than your credited service at the time your employment ended.

In addition, the restoration of your past service credit will depend on whether or not you withdrew your contributions to the Retirement Plan when you left the Company.

Before January 1, 1976

A "five-five-five" rule was in effect before January 1, 1976. Under this rule, upon either your death or retirement, your past service is counted if you:

- had at least five years of prior credited service,
- were rehired within five years of the date that your service ended, and
- worked at least five years after you were rehired.
- If you contributed to the Retirement Plan before 1973 and withdrew your contributions and interest when your employment terminated, any annuity or pension to which you are entitled will be reduced.

When Benefits Are Payable

Benefits are payable at the earliest of the following:

- When you elect to commence benefits at Early, Normal or Deferred Retirement:
  - Normal Retirement — refers to retirement at age 65. Your normal retirement date is the first day of the month after your 65th birthday and is the date you can receive an unreduced benefit from the Plan
  - Early Retirement — refers to retirement between the ages of 55 and 65. You can elect early retirement as of the first day of any month after your 55th birthday. There is no minimum service requirement to start your early retirement benefits. The shorter your service, the less you will receive from the Retirement Plan. See "Early Retirement Benefits" on page 18 for details.
  - Deferred Retirement — refers to retirement after your normal retirement date. If you work past your normal retirement date, you will continue to accrue credited service toward your pension benefit from the Retirement Plan. See "Deferred Retirement Benefits" on page 20 for details.
- If you die before you begin receiving pension payments, your surviving spouse or named beneficiary can generally start their Pre-Retirement Survivor's Pension benefit as of the later of the date of your death or the month that you would have attained age 55. See "If You Die Before You Retire" on page 26 for details.
- If you are a former employee with a vested benefit and reach the age of required minimum distributions of your Final Pay Pensionbenefit as required by federal law (age 70½) you must start your benefit payments. See "If You Leave the Company with a Vested Benefit and Want to Start Your Pension" on page 24 for details.
- If you are a former employee with a vested benefit subject to mandatory distribution. See "Mandatory Distributions" on page 20 for details.

If you have both a Final Pay Pension and a Cash Balance Pension, your election to commence benefits under the Final Pay Pension is independent of your election to commence benefits under the Cash Balance Pension.

Pension Election Form

You must submit a Pension Election Form to the HR Service Center in order to commence your pension benefit. Please note that if you delay the start of payments from the Retirement Plan, the amount of your payments may increase. You should consider consulting a financial advisor before electing to start your pension payments.

Early Retirement Benefits

You can elect early retirement on the first day of any month after your 55th birthday and before your normal retirement date. You must contact the HR Service Center in writing 90 days before the date on which you want to start payments. If you elect early retirement, your monthly pension benefit may be reduced to reflect the longer period of time you are likely to be receiving a pension. The amount of this reduction will depend on your years of service and your age when benefits begin, as shown in the following chart.

Reduction Percentage

Age	Reduction in Your Pension if Your Service Is...			
	Less Than 15 Years	15 to 24 Years	25 to 29 Years	30 Years or More
64	3%	—	—	—
63	6%	—	—	—
62	9%	—	—	—
61	12%	3%	3%	—
60	15%	6%	6%	—
59	18%	10%	9%	—
58	21%	14%	12%	—
57	24%	18%	15%	—
56	27%	22%	18%	—
55	30%	26%	21%	—

Note: Reduction factors are based on age in years and months prior to your normal retirement age (age 65). Although only ages as of your birth date are shown on this chart, the reduction factors change with each additional month of age after age 55.

For example, if an employee with less than 15 years of service retired at age 55, the reduction factor would be 30 percent. Each month of age past 55 will decrease the reduction factor. At age 55 years and four months, the reduction factor would be 29 percent, and so on. While reduction factors change for each month of age between birth dates, they do not change for additional months or years of credited service until you move into a new service band, as illustrated in the table. For example, if you are age 55 and four months with 16 years of service, the factors are the same as for someone at age 55 and four months with 23 years of service.

These reductions assume that your pension starts on the first day of the month after your birthday. If you leave the Company or retire early but delay receiving pension payments, the reduction percentage will depend on your age when pension benefits actually start. Therefore, your monthly pension benefit may increase with delayed commencement of your pension payments.

For example, if you retire at age 55 with 20 years of service:

Payment Commencement:	Single Life Annuity Payable on Your Normal Retirement Date (age 65)	Reduction Percentage (per chart)	Pension Benefit Amount as a Single Life Annuity
Age 55	$1,000 per month	26%	$740 per month $1,000-($1,000 × .26) = $740
Delayed to age 60	$1,000 per month	6%	$940 per month $1,000-($1,000 × .06) = $940
Delayed to age 62	$1,000 per month	0%	$1,000 per month
Delayed to age 65	$1,000 per month	0%	$1,000 per month

Deferred Retirement Benefits

If you continue working past your normal retirement age (age 65):

- You will continue to accrue service credit toward your pension benefit from the Retirement Plan if you decide to work beyond your normal retirement date, but you cannot begin receiving benefits as long as you are still working. You may elect to begin payment of your pension benefit when you actually retire. See "When Benefits Are Payable" on page 18 for additional information.
- If you elect deferred retirement or to defer receiving your pension benefit after you have retired, your monthly pension benefit will be actuarially adjusted to reflect the shorter period of time you are likely to be receiving a pension. The amount of this increase will be offset by any additional pension benefit you earn under the Retirement Plan with each year of service after age 65 as long as you have not begun receiving payments.

See "Minimum Distributions" on page 20 for additional information on legally required minimum distributions when you reach age 70½.

Benefits If You Leave PG&E Before Age 55

If you leave PG&E before age 55 with at least five years of service (or at least three years of service if you also have a Cash Balance Pension), you are entitled to a vested benefit from the Retirement Plan. Service is defined in "Vesting" on page 17. You may elect to begin receiving your Final Pay Pension on the first day of any month after reaching age 55. See "If You Leave the Company with a Vested Benefit and Want to Start Your Pension" on page 24 for information about starting your benefit payments.

As a participant who terminated employment before age 55 with a vested benefit from the Retirement Plan, you are NOT considered a retiree of the Company and thus are ineligible for any other benefits that may be applicable to participants who ended employment on or after reaching age 55.

If you terminate employment before age 55 without a vested benefit, you will not be entitled to a benefit under the Final Pay Pension. If you are rehired by the Company after a break in service of less than five years, your credited service prior to your severance from service date will be reinstated. If you are rehired after a break in service that equals or exceeds five years, your prior service will not be recognized for Final Pay Pension benefit purposes, and you will begin to accrue a new pension benefit from the date of rehire. If you are rehired on or after January 1, 2013, any new pension benefits you earn will be under the Cash Balance Pension formula.

Minimum Distributions

Federal law imposes a minimum benefit amount that you must receive each year. This requirement typically applies if your first benefit payment begins after age 70½. The purpose of the law is to make sure individuals entitled to receive a benefit actually receive it during their lifetime. If you remain employed with the Company past age 70½, you will not be subject to minimum distributions until your actual retirement date (subject to changes in tax law).

If you are subject to the minimum distribution requirements, the Plan Administrator will calculate the amount of your benefit that will satisfy the minimum distribution requirement for the Retirement Plan. If you participate in other plans, including the PG&E Corporation Retirement Savings Plan or any personal IRAs, the minimum distribution requirements for those plans or retirement accounts must be satisfied independently of the requirements for the Retirement Plan.

Mandatory Distributions

If you have a vested benefit from the Retirement Plan and the lump sum present value of your pension benefit (including any benefits payable under the Cash Balance Pension) is less than $5,000 as of the date your employment ends, you must take distribution of the lump sum value of your benefit. You may elect to receive a single cash payment shortly after your employment ends or elect to roll over the distribution to a tax-deferred plan. If you do not make an election and the lump sum present value of your Retirement Plan benefit is:

- Less than $1,000, you will automatically receive a single cash payment shortly after your employment ends.

- Greater than $1,000 but less than $5,000, the distribution will be paid as a direct rollover in your name to an individual retirement account (IRA) selected by the Plan Administrator.

The "present value" is the actuarial equivalent of your benefit payable at your normal retirement date if you leave the Company before age 55, or the actuarial equivalent of your benefit at actual retirement date. You will receive a written explanation about rollover options prior to receiving your distribution from the Retirement Plan.

Pre-Retirement Survivor's Pension

If you die before your Final Pay Pension payments begin, your surviving spouse or beneficiary is entitled to a benefit (a "Pre-Retirement Survivor's Pension"). For more information, see "If You Die Before You Retire" on page 26.

Payments to Lost Participant or Beneficiary

It is your responsibility to keep your contact information on file with the Plan Administrator to ensure that the Plan Administrator can reach you regarding your pension benefits. In the event that you or your beneficiary cannot be located on the latest date upon which your Final Pay Pension benefits must start, your benefits will be forfeited and used to reduce the cost of the Plan to the Company. If you're later located, your benefits will be reinstated without any earnings or interest adjustment.

Payment Options

When you retire, you choose how to receive your pension benefit. The Retirement Plan offers a number of annuity options, including some that continue payments to your spouse or other beneficiary in the event of your death. Your elections are made on your Pension Elections Form. Payment option elections under the Final Pay Pension are independent of any payment option elections you make under the Cash Balance Pension.

To help you make the best decision for your needs, the HR Service Center will provide you with an estimate of the pension amounts you would receive each month under the various payment options available from the Retirement Plan.

In order to comply with ERISA requirements and to allow for administrative processing, your completed Pension Elections Form and supporting documents must be returned to the HR Service Center at least 30 days in advance of your first pension check. If your completed paperwork is not received on time (at least 30 days before your requested pension start date), your pension benefit will be recalculated to start the first of the month following the end of the 30-day period. For example, if your requested pension benefit date is May 1, 2013, and your completed paperwork is received on April 10, 2013, your new pension benefit date will be recalculated for June 1, 2013. The Retirement Plan does not allow retroactive payments.

If you are:

- divorced or divorcing, see "If You Get Divorced" on page 25 for more information, including important details about submitting your retirement paperwork if you do not have a Qualified Domestic Relations Order, or "QDRO."
- unmarried at the time you begin receiving payments from the Retirement Plan, you will automatically receive a Single Life Pension, with no provision for continuing payments to a survivor, unless you elect otherwise on the Pension Elections Form.
- married at the time you begin receiving payments from the Retirement Plan, federal law requires that you be paid at least a 50 percent joint pension with your spouse as the joint pensioner (a "Marital Pension"). This form of benefit will, upon your death, continue making benefit payments to your spouse for your spouse's lifetime based on 50 percent of the payment amount during your life. If you elect continued payments of less than 50 percent for your spouse, or elect a joint pension with someone other than your spouse, both you and your spouse must sign the Pension Elections Form, and your spouse's signature must be witnessed by a Notary Public. For purposes of the Retirement Plan, you have a "spouse" if you are married to:
    - An opposite-sex partner in any jurisdiction

- A same-sex partner in jurisdictions where same-sex marriage is recognized; or
- A same-sex or opposite-sex partner under a California domestic partnership registered with the California Secretary of State.

Single Life Pension

You may elect to receive your pension payable for your lifetime only and not provide any payments to a survivor. If you are married, your spouse must consent to this election in writing. If you choose to provide no continuing pension for your spouse, both you and your spouse must sign the Pension Elections Form, and your spouse's signature must be witnessed by a Notary Public.

Joint Pension

If you want to provide a continuing pension to someone in the event of your death, you may elect a "joint pension." You may designate anyone as your "joint pensioner." Your own pension benefit will be reduced so that up to 100 percent of this reduced amount can be continued to your joint pensioner in the event of your death. The amount your pension is reduced depends on your age and the age of your joint pensioner, as well as the percentage of your pension benefit that you elect to be continued to your joint pensioner.

Under a joint pension, your pension benefit will be calculated according to the Retirement Plan formula and then reduced by an actuarial factor based on your age and the age of your joint pensioner on your pension commencement date. This reduction is necessary because payments are guaranteed for two people and are likely to be paid for a longer period of time.

Here's an example:

Example of 50 Percent Joint Pension

- Employee is age 65; joint pensioner is age 62
- Basic monthly pension is $1,655.40
- Employee elects a 50 percent joint pension

Because the joint pensioner is younger, the joint pensioner is expected to live longer. It's also likely that payments would be made over a longer period of time since pension benefits under this option will continue throughout the joint pensioner's lifetime and not end with the pensioner's death. So the monthly pension is reduced, in this case, using a factor of .947.

.947 × $1,655.40= $1,567.66

In other words, the reduced monthly pension is $1,567.66. In the event that the pensioner dies first, the joint pensioner would receive a lifetime continuing income of half this amount, or $783.83 per month.

$1,567.66 × 50% = $783.83

Joint pensions are available at 25 percent, 50 percent (the default Marital Pension for married employees and employees with registered domestic partners), 75 percent and 100 percent of the pensioner's reduced monthly pension. You may elect any one of these joint pension options with any person you wish, subject to certain limits if your joint pensioner is more than 10 years younger than you are (for example, if you choose your child or grandchild as joint pensioner, the options higher than 50 percent may not be available for you to elect). If you are married and you elect continued payments of less than 50 percent for your spouse, or you elect a joint pension with someone other than your spouse, both you and your spouse must sign the Pension Elections Form, and your spouse's signature must be witnessed by a Notary Public.

Special Joint Pension ("Pop-Up")

You may also elect a "Special Joint Pension" which will allow your reduced monthly pension to increase or "pop up" to the full amount, as if you had never elected a joint pension, if your joint pensioner dies before you. However, your basic monthly pension benefit amount will be further reduced to reflect this additional benefit.

You may elect a Special Joint Pension that provides for a payment of 25 percent, 50 percent, 75 percent or 100 percent of your reduced benefit to your joint pensioner after your death. If you are married and you elect a Special Joint Pension with someone other than your spouse, or continued payments of 50 percent or less for your spouse, both you and your spouse must sign the Pension Elections Form, and your spouse's signature must be witnessed by a Notary Public.

Past Employee Contributions to the Retirement Plan

This provision applies only to employees who were employed before 1973. If you made contributions to the Retirement Plan and have a vested benefit, you have the option at your retirement or termination of employment to withdraw these contributions, plus interest, or leave them in the Retirement Plan.

- If you leave your contributions in the Retirement Plan, you will receive the full pension to which you are entitled.
- If you withdraw your contributions, the pension you receive will be reduced by the actuarial value of the contributions withdrawn.
- If you and your joint pensioner (if applicable) die before receiving total payments equal to or greater than your contributions plus interest, the difference between the amount of your contributions plus interest and the total payments received will be paid to your beneficiary (or the beneficiary of your joint pensioner, if applicable).

Tax Implications

Please note that although the Retirement Plan rules allow you to withdraw an amount equal to your contributions plus accrued interest, tax laws no longer allow you to consider the portion of the refund equal to your contributions as non-taxable. Be sure you are aware of the tax implications before you request a refund of contributions from the Retirement Plan; you may wish to consult a tax advisor before doing so.

Changing Your Election

Once you elect a payment option, you may change your election before your pension date. In order to do so, you must complete a new Pension Elections Form and have it notarized. If you have submitted more than one Pension Elections Form, your pension benefit will be based on the most recently submitted correctly completed Pension Elections Form prior to your pension date.

Once you have submitted your completed paperwork and your pension date has passed, all of your elections are irrevocable. For instance, if you are receiving a pension benefit that continues a benefit to your spouse and your spouse dies before you do, your pension amount will not be increased unless you elected the special joint pension ("Pop-Up" pension) with your spouse. Your joint pension may not be transferred to another person, even if you remarry.

Different rules apply if you elect a joint pension and either you or your joint pensioner dies before Retirement Plan payments begin. If your joint pensioner dies before your payments begin, the election you made on your Pension Elections Form will be ineffective and you will receive a Single Life Pension benefit unless you elect otherwise. See "If You Die Before You Retire" on page 26 for details.

Facility of Payment

If you are entitled to any payment under the Plan, and the Plan Administrator determines that you are physically or mentally incompetent and no guardian or conservator has been appointed to receive your payment, the Plan Administrator may make payments on your behalf to a third-party to be applied for and on behalf of and for your benefit. Payments made on your behalf will completely discharge the Plan's responsibility for the amount of the payment.

No Guarantee of Employment

Participation in the Plan does not guarantee your right to employment with the PG&E Group or any affiliates. Further, nothing set forth in this Summary Plan Description should be interpreted to give you or your beneficiary any legal or equitable rights against PG&E.

Military Service

Federal law provides rights to certain reemployed veterans for service credit, including for purposes of benefit accruals in certain situations, for periods of military service. Please contact the HR Service Center for more information.

Your Responsibility to Maintain a Current Address

You will receive periodic information regarding your Retirement Plan benefits. After your employment ends, you will receive periodic information about your vested benefit under the Retirement Plan. It is your responsibility to notify the Plan Administrator of any changes in your home address. To change your address, contact the HR Service Center at 415-973-4357 or toll-free at 800-788-2363.

If correspondence regarding your plan benefits is returned as undeliverable, the Plan Administrator will make efforts to locate you, including engaging the services of third-party address search services. If the Plan Administrator is unable to locate a Participant on the latest date upon which your Final Pay Pension must start, the Participant's benefit under the Plan will forfeited and used to offset future employer contributions. If a proper claim is subsequently presented, the Participant's benefit will be reinstated without any earnings or interest adjustment.

Borrowing, Pledging, and Assigning Interests in the Plan

No participant or beneficiary may borrow against, pledge, or assign — voluntarily or involuntarily, or by operation of law — any interest in the Retirement Plan or in any distribution to be made under the Retirement Plan. However, this does not prevent a spouse, former spouse, child, or other dependent of an employee to claim an interest in an employee's Retirement Plan benefits under a QDRO issued by a court (see "If You Get Divorced" on page 25). Generally, except as described above, no party, including creditors of the PG&E, has or may create a lien on your benefit under the Retirement Plan.

What Happens…

If You Leave the Company with a Vested Benefit and Want to Start Your Pension

If you leave the Company with at least five years of service (or at least three years of service if you also earned a Cash Balance Pension) but before the first day of the month after your 55th birthday, you have a vested pension benefit from the Retirement Plan. This means that you are guaranteed a future Final Pay Pension benefit from the Retirement Plan when you reach retirement age. You can elect to begin receiving your Final Pay Pension benefit at any time on or after the first day of the month following your 55th birthday. Different terms apply for the Cash Balance Pension; see "If You Leave the Company With a Vested Benefit and Want to Start Your Pension" in the *Retirement —Cash Balance Pension Benefit* section for more information. Your Final Pay Pension benefit payable at age 65 will be reduced for early commencement, depending on your years of service and age as of your pension start date, using the appropriate early retirement reduction factor. You may also elect a joint pension, as described in "Joint Pension" on page 22.

If you leave the Company but delay receiving pension payments, the reduction percentage or actuarial adjustment percentage will depend on your age when pension benefits actually start. Therefore, your monthly pension benefit may increase if you choose to delay commencement of your pension payments (refer to the example under Early Retirement). However, benefit payments must begin no later than April 1 of the year after you reach age 70½.

If you terminate employment before age 55 with a vested benefit you must request a Retirement Package in writing 90 days before the date on which you want to begin your pension benefit. Your completed paperwork must be received by the HR Service Center at least 30 days prior to your pension benefit commencement date. It is your responsibility to notify the HR Service Center in writing 90 days prior to the date on which you want your vested pension benefits to become payable. The Plan does not allow retroactive payments.

See “When Benefits Are Payable” on page 18 for important information on payment provisions.

It is your responsibility to keep your updated contact information on file with PG&E current to ensure that the Plan Administrator can reach you regarding your pension benefits. In the event that you or your beneficiary cannot be located on the latest date upon which your Final Pay Pension benefits must start, your benefits will be forfeited and used to reduce the cost of the Plan to PG&E. If you’re later located, your benefits will be reinstated, without any earnings or interest adjustment.

If You Transfer to or from a Non-Union Position

Under the Retirement Plan, different benefit provisions apply to non-union represented Management and Administrative & Technical (A&T) employees (Part 1 of the Retirement Plan.) than apply to union-represented employees (covered under Part 2 of the Retirement Plan). If you transfer to a non-union position or if you have transferred from a non-union position and you have accrued credited service under both Part I and Part 2 of the Plan, your pension benefit will be the larger of:

- the amount resulting from calculating *all* credited service under your current Management or Administrative & Technical (A&T) position, or
- the benefit amount for credited service calculated in your union classification added to the amount calculated under your non-union position. The amount for each portion of the benefit will be calculated using pay and all other benefit provisions and reduction factors applicable to the part of the Plan in which credited service was earned — including but not limited to factors for age, early retirement, joint pension, marital pension, and the election of an alternative spouse’s pension.

Your pension will be associated with the last classification that you held before your employment ends and pension payments begin. For example, if you had union-represented service, transferred to a management position and subsequently retired, you would be considered a management retiree.

If You Get Divorced

Under current California law, certain Company-provided employee benefits which you earn while married are community property and, thus, can be divided between you and your ex-spouse by court order in a divorce proceeding.

The Retirement Plan is a pension plan which is governed by the Employee Retirement Income Security Act of 1974 (“ERISA”). Under ERISA, Retirement Plan benefits may not be divided between the parties in a divorce except through a Qualified Domestic Relations Order (“QDRO”).

A QDRO is a judgment, decree or order which relates to the provision of child support, alimony or marital property rights to an alternate payee (including a spouse, former spouse, child or other dependents). It creates or recognizes the existence of an alternate payee’s rights. The QDRO also assigns to an alternate payee the right to receive all or a portion of the benefits payable to a participant under a plan.

For detailed information regarding how divorce affects your Retirement Plan benefits, or a free sample QDRO and QDRO procedures, you can contact the HR Service Center at 415-973-4357 or 800-788-2363 or e-mail HRBenefitsQuestions@exchange.pge.com.

If you are ready to retire or begin your pension and your divorce is final but you have not yet received a file-endorsed QDRO, you should submit your otherwise completed paperwork by the deadline for your desired pension date. Your pension payments will accrue monthly and be held back until PG&E receives the file-endorsed QDRO, at which point the accrued amount in accordance with the file-endorsed QDRO will be released to you with your first regular monthly pension payment. If you have submitted otherwise complete retirement paperwork, your retirement date and the commencement of retiree medical, life insurance, and other retirement benefits, if applicable, will not be affected by the lack of a QDRO at the time you wish to retire.

If you have both a Final Pay Pension and a Cash Balance Pension, and you have an existing QDRO relating to your Final Pay Pension, you and your ex-spouse may provide a revised QDRO that addresses both benefits. If you choose not to do that, the existing QDRO will apply to both of your benefits — your frozen Final Pay Pension and your Cash Balance pension — as interpreted by the Plan Administrator or its delegate.

If You Die Before You Retire

The Retirement Plan may provide a pension benefit for your spouse or registered domestic partner, or any designated beneficiary, if your death occurs before you retire. If eligible, the amount of your Pre-Retirement Survivor's Pension benefit will depend on your age, years of credited service and employment status at the time of your death. If you are unmarried and die without a designated beneficiary, your Retirement Plan benefit will be forfeited. For purposes of the Retirement Plan, you have a "spouse" if you are married to:

- An opposite-sex partner in any jurisdiction;
- A same-sex partner in jurisdictions where same-sex marriage is recognized; or
- A same-sex or opposite-sex partner under a California domestic partnership registered with the California Secretary of State.

Designating A Beneficiary

You must complete a Pre-Retirement Beneficiary Designation Form if you wish to name a primary, secondary or non-spouse/contingent beneficiary for your Retirement Plan benefit in the event you die before you retire. If you also have a Cash Balance Pension, you must make a separate beneficiary election for your cash balance benefit. Contact the HR Service Center or visit the PG&E@Work intranet site to obtain appropriate forms.

You will receive a notice that describes your right to designate a pre-retirement beneficiary. If you're married, that notice describes your right to designate a non-spouse beneficiary to receive a pre-retirement survivor's pension— and your spouse's right to consent to such election.

If you participate in the Plan's Cash Balance Pension benefit, the non-spouse beneficiary you designate for your Final Pay Pension benefit may be different than the non-spouse beneficiary you choose for your Cash Balance Pension benefit.

Note for all survivor's benefits described below, if the present value of the pension benefit payable to your spouse or beneficiary is less than $5,000, the benefit will be paid as a single cash payment or as a direct rollover into an individual retirement account (IRA). See "Mandatory Distributions" on page 20 for more information.

Pre-Retirement Survivor's Pension A

If you are an employee earning service under the Retirement Plan and:

- you are age 55 or older when your death occurs, or
- your age plus years of service total to 70 or more,

your survivor is entitled to a pension benefit equal to 50 percent of the basic pension you would have received had you elected retirement as of the first day of the month after your death. There is no reduction for early retirement. Pension benefits will be reduced by .05 percent for each month that your survivor is more than ten years younger than you. However, the total reduction cannot result in a smaller pension benefit than what your survivor would have received under a 50 percent joint pension with applicable early retirement reductions.

The Pre-Retirement Survivor's Pension A is payable on the first day of the month after your death and continues for the life of your surviving spouse or beneficiary.

Pre-Retirement Survivor's Pension B

If you have at least five years of service when your death occurs, and if your survivor does not qualify for Survivor's Pension A, your survivor will be entitled to a pension benefit calculated under the formula for Survivor's Pension B.

For an Active Employee Who Dies Before Age 55

Your survivor will be entitled to a 50 percent joint pension. This benefit will be calculated as if you had terminated employment on the date of your death.

Your survivor will begin receiving this benefit on the first day of the month after you would have reached age 55 unless he or she elects otherwise. If your survivor was not your spouse, his or her benefit must commence no later than December 31st after the year of your death, even if that date occurs before the date that you would have reached age 55.

For a Former Employee Who Dies Before Age 55

Your survivor's benefit will be calculated as if you had survived until age 55 and elected a 50 percent joint pension. Your survivor will begin receiving this benefit on the first day of the month after you would have reached age 55 unless he or she elects otherwise. If your survivor was not your spouse, his or her benefit must commence no later than December 31st after the year of your death, even if that date occurs before the date that you would have reached age 55.

For a Former Employee Who Dies at Age 55 or Older

Provided you have not yet begun receiving pension payments from the Plan, your survivor's benefit will be equal to the 50 percent joint pension that would have been payable to your joint pensioner, had you made such an election as of the first of the month following your death. The benefit is effective the first day of the month following the month in which your death occurs unless the survivor elects otherwise. If your survivor was not your spouse, his or her benefit must commence no later than December 31st after the year of your death.

If You Die Within 30 Days of Your Retirement Date

If your death occurs within 30 days of your retirement date, you have submitted completed retirement paperwork to PG&E, and:

- **You are married and have elected a joint pension with your spouse**, your spouse will receive the greater of the joint pension you have elected or the Pre-Retirement Survivor's Pension, described above.
- **You are not married and have elected a joint pension with someone who is not on your Pre-Retirement Beneficiary Designation Form, or you are married and have elected a joint pension with someone other than your spouse**, your joint pensioner will receive the greater of the joint pension or the amount of the Pre-Retirement Survivor's Pension.
- **You are single and you have elected a joint pension with your pre-retirement beneficiary**, your beneficiary will receive the greater of the joint pension you have elected or the Pre-Retirement Survivor's pension.

If You Want to Begin Receiving Your Pension Benefit

If you're retiring, or you are a former employee and want to begin receiving your vested pension benefit, you must request a Retirement Package in writing 90 days before the date on which you want to begin your pension benefit. Your paperwork will include a Pension Elections Form, on which you'll indicate your employment end date, pension benefits commencement date, and desired payment option. To help you make the best decision for your needs, the HR Service Center and Xerox HR Services will provide you with an estimate of the pension amounts you would receive under the various payment options available from the Plan. Keep in mind that some payment options require written spousal consent.

Your completed Pension Elections Form and supporting documents must be received by the HR Service Center at least 30 days prior to your pension benefit commencement date. If your completed paperwork is not received on time (at least 30 days before your requested retirement date), your pension benefit will be recalculated to start the first of the month following the end of the 30-day period. For example, if your requested pension benefit date is May 1, 2013, and your completed paperwork is received on April 10, 2013, your new pension benefit date will be recalculated for June 1, 2013. The Retirement Plan does not allow retroactive payments.

Once you have submitted your completed paperwork, all of your elections are irrevocable, except your payment option as provided under "Changing Your Election" on page 23.

If You Are Rehired

If you are a participant in the Final Pay Pension, terminate employment with PG&E, and are rehired on or after January 1, 2013, you will automatically participate in the Cash Balance Pension. This is true even if you were an employee during the one-time pension choice period and did not elect to participate in the Cash Balance Pension.

If you're not vested when your employment ends, your service and benefit will be forfeited if the break in service exceeds five years. If the break in service is less than five years, your credited service and benefit will be restored. Your past service and service after rehire will be considered to determine vesting in your Retirement Plan benefits. If you are vested when your employment ends, your service will be restored regardless of the length of the break.

If You Also Have a Cash Balance Pension

Two types of employees may also have a benefit under the Cash Balance Pension — an employee who elects the Cash Balance Pension during the one-time pension choice period in 2013, and an employee who is re-hired in 2013 or later.

If you elect the Cash Balance Pension during the one-time pension choice period in 2013, your total Retirement Plan benefit will have two components:

- your accrued Final Pay Pension benefit as of December 31, 2013 payable as a monthly annuity; plus
- your accrued Cash Balance Pension benefit from January 1, 2014, through the end of your PG&E employment (which can be paid to you as a lump sum or as an actuarially equivalent annuity).

If you are a rehired employee and earned a Final Pay Pension during your prior period of employment, your Retirement Plan benefit will have two components:

- your accrued Final Pay Pension benefit earned as of your last day of employment before your first rehire date on or after January 1, 2013 (payable as a monthly annuity); plus
- your accrued Cash Balance Pension benefit from your date of re-hire, through the end of your PG&E employment (which can be paid to you as a lump sum or as an actuarially equivalent annuity).

For details about your Cash Balance Pension, see the *Cash Balance Pension Benefit* section.

If Your Benefit Is Affected by IRS Limits

The Internal Revenue Code (IRC) and ERISA impose limitations on benefits provided under the PG&E Retirement Plan, both alone and in conjunction with other plans sponsored by PG&E. Generally, these limitations affect only the benefits of certain highly compensated employees. The Plan Administrator will notify you if you are affected by these limits.

If the Retirement Plan becomes less than 60 percent funded, payment restrictions may apply and, subject to applicable IRC requirements, all Retirement Plan participants will automatically cease to earn any additional Retirement Plan benefits. The Plan Administrator will notify you if you are affected by these restrictions.

Claims and Appeals

Requesting Benefit Payments

To receive a benefit from the Retirement Plan, you generally must complete a Pension Elections Form and provide any additional information needed to process your request and withhold taxes. If you disagree with the response to your request for benefits, whether in whole or in part, and believe you may be entitled to benefits under the provisions of the Retirement Plan, you have the right to pursue your claim for benefits through the Retirement Plan's Claims Procedures. You also have the right to file suit in a Federal court once you have exhausted all steps of the Retirement Plan's Claims Procedures.

Formal Benefit Claims Procedures

To make a formal claim for benefits, you must submit your claim to the Benefits Department within at least 60 days after you first receive the information on which your claim is based by writing to:

Pacific Gas and Electric Company
Benefits Department
Retirement Plan Appeals
1850 Gateway Boulevard, 7th Floor
Concord, CA 94520

No special form or format is required in submitting a written claim for benefits; you may submit written comments, documents, records, and other information relating to your claim. You may also request, free of charge, access to, or copies of, all documents, records, and other information relevant to your claim for benefits. The review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered at the initial benefit determination. Please note, however, that it is the obligation of the Benefits Department to administer the Plan fairly, consistently, and in accordance with the provisions of the Plan.

If the Benefits Department denies your claim, you will receive written notice of the denial within 90 days of receipt of the initial claim unless, due to special circumstances, an additional 90 days is required. Such notification will set forth:

- the specific reason(s) for the denial of the claim;
- a reference to the Plan provisions which apply to the denial;
- a description of any additional material or information necessary for a participant or beneficiary to perfect the claim and an explanation of why such material or information is necessary;
- a description of the Plan's review procedures and the time limits applicable to such procedures; and
- a statement of the participant's or beneficiary's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review, and after exhausting your administrative remedies under the Plan.

A participant who is a member of a bargaining unit under any collective bargaining agreement between the Company and any union may use the grievance or adjustment procedure of the appropriate collective bargaining agreement to resolve any dispute concerning any question of service, status or membership under the Plan instead of the appeals procedures described above.

The administrative remedies described in this section (as well as a grievance or adjustment procedure of the appropriate collective bargaining agreement if it is used instead of the appeal rights described above) must be exhausted before any legal action can be taken by a claimant. If a claimant timely exhausts all levels of appeal available to the claimant under the Plan's claims procedures (including appeals to both the Plan Administrator and the EBAC), any permissible legal action under ERISA section 502(a) must be initiated within the applicable statute of limitations. The review procedures described in this section are the exclusive administrative procedures provided under the Plan.

If you are not satisfied with the Benefit Department's decision, you may then submit a written appeal for review (within 90 days of receiving the Benefits Department's notice of denial) to the Employee Benefit Appeals Committee ("EBAC"), the final adjudicator in the appeals process, stating the reasons for your appeal and enclosing all documentation and any additional information to support your appeal.

Send your appeal to:

Pacific Gas and Electric Company
Benefits Department
EBAC Appeals
1850 Gateway Boulevard, 7th Floor
Concord, CA 94520

You will receive a final ruling from EBAC within 60 days of EBAC's receipt of your appeal unless, due to special circumstances, EBAC requires additional time to respond, up to another 60 days.

If EBAC denies your appeal, you will receive a written response which will include:

- the specific reason(s) for the denial of the claim;
- a reference to the specific Plan provision(s) on which the denial is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim for benefits; and
- a statement of your right to bring a civil action under section 502(a) of ERISA.

Instead of electing to use the appeals steps through EBAC, a Bargaining Unit participant may use the grievance or adjustment procedure outlined in the appropriate collective bargaining agreement to resolve any dispute concerning questions of service, status or membership relating to Retirement Plan benefits.

The Pension Benefit Guaranty Corporation

Your pension benefits under the Retirement Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under a terminated plan, but some people may lose certain benefits.

The PBGC guarantee generally covers:

- normal and early retirement benefits;
- disability benefits if you become disabled before the pension plan terminates; and
- certain benefits for your survivors.

The PBGC generally does not cover:

- benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates;
- some or all of the benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the time the plan terminates;
- benefits that are not vested because you have not worked long enough for the company;
- benefits for which you have not met all of the requirements at the time the plan terminates;
- certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age; and
- non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money you plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington DC 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

Or contact:

Pacific Gas and Electric Company
Benefits Department
1850 Gateway Boulevard, 7th Floor
Concord, CA 94520
415-973-4357 or 800-788-2363

Tax Considerations

All Plan distributions are considered taxable income and are subject to normal federal and (if applicable) state and/or local income taxes.

Annuity payments are subject to income tax withholding at ordinary income tax rates.

If you elect a lump-sum payment to be paid to you, the Company must withhold 20 percent federal tax from your distribution unless you elect a direct rollover. This withholding is sent to the IRS and is credited as part of your tax withholding for the year in which you receive your distribution.

If you're under age 59½ and don't roll over your lump-sum payment to an Individual Retirement Account (IRA) or other tax-qualified retirement plan, your distribution may be subject to a 10 percent federal income tax penalty in addition to the 20 percent withholding tax. State income tax penalties may also apply. However, the additional 10 percent IRS penalty does not apply if your payment is:

- paid to you because you leave the Company during or after the year in which you reach age 55;
- paid to you after you're permanently and totally disabled;
- paid to you as equal (or almost equal) payments over your life expectancy (or you and your beneficiary's combined life expectancies);
- used to pay certain medical expenses; or
- paid to your beneficiary after your death.

Tax laws are complicated and subject to frequent change. You should consult a qualified tax advisor before making your distribution election.

Retirement Plan — Cash Balance Pension Benefit

The Retirement Plan is a "defined benefit" plan, which means eligible participants receive a fixed pension benefit that is based on a defined formula reflecting credited service and pay. The Retirement Plan has two pension benefit formulas, and this section describes the Cash Balance pension formula.

Benefits under the Cash Balance formula are based on your accumulated pay and interest credits, and are payable as a lump sum payment or a monthly annuity payable for your lifetime, or for the combined lifetime of you and your spouse or named beneficiary.

Employees participating in the Final Pay Pension formula who elect to participate in the Cash Balance Pension formula during the one-time pension choice period in 2013 stop earning benefits under the Final Pay Pension formula when the Cash Balance Pension benefits are effective.

Cash Balance Pension Benefits at a Glance

- Under the Pacific Gas and Electric Company Retirement Plan's Cash Balance Pension formula, you earn a pension benefit through a growing account.
- On the last day of each year, your individual cash balance account is credited with **pay credits** based on a point system of age plus service.
- At the end of each calendar quarter, your individual cash balance account is credited with **interest credits**, based on an average of the 30-year Treasury rates for the three months before the calendar quarter.
- You're 100 percent vested in the value of your cash balance account after three years of service with the Company or upon reaching age 55 while an employee.
- You can receive your full vested account balance at any time after you leave PG&E (whether before or after retirement).
- When you leave PG&E, you can choose:
  - a lump-sum payout that is eligible for rollover into an IRA or other qualified employer plan; or
  - a monthly annuity for your life, or for the combined lifetime of you and your spouse or named beneficiary.

Enhanced 401(k) Match

As a participant in the Cash Balance Pension, you are eligible for a higher 401(k) company match benefit under the PG&E Corporation Retirement Savings Plan of $0.75 per dollar on your contributions up to 8 percent of pay. See the summary on your Retirement Savings Plan benefits for more information.

Participating in the Cash Balance Pension

You are eligible to participate in the Cash Balance Pension if you are:

- employed by Pacific Gas and Electric Company, PG&E Corporation or any other company formally designated to participate in the Retirement Plan (collectively, "PG&E" or "the Company"), and
- hired or rehired by PG&E on or after January 1, 2013, or
- an employee participating in the PG&E Retirement Plan on December 31, 2012 who elected to participate in the Cash Balance Pension during the one-time choice period offered in 2013.

Automatic Participation

Eligible employees hired or rehired on or after January 1, 2013, automatically participate in the Cash Balance Pension beginning on the first day of work.

If you are an existing eligible employee prior to January 1, 2013, and you elect to participate in the Cash Balance Pension during the one-time pension choice period offered in 2013, your participation in the Cash Balance Pension generally begins January 1, 2014 and your pension benefit under the Final Pay Pension formula is frozen as of December 31, 2013. Your frozen Final Pay Pension will be based on your eligible pay and credited service as of December 31, 2013, or the day before you begin to earn a benefit under the Cash Balance Pension, if later; it will not reflect changes in pay or additional credited service after that date. You are not eligible to participate in the Cash Balance Pension if you are:

- a hiring hall employee;
- an outage employee;
- a temporary additional (under the IBEW Physical Agreement); or
- an intermittent employee under IBEW Physical Agreement (who has not attained regular status); or
- any other individual excluded under the terms of an applicable agreement with a union.

Cost of the Plan

PG&E pays the full cost of your Cash Balance Pension benefit. You are not required or permitted to make any contributions to the Plan.

How the Cash Balance Pension Works

When you first become eligible for the Retirement Plan's Cash Balance Pension benefit, a cash balance account is set up in your name. The amount credited to your account will grow over the course of your employment with PG&E through pay and interest credits. Please note that your cash balance account is a notional account that, once you are vested, is payable from the assets of the Retirement Plan trust when your employment ends. You can review your Cash Balance Pension benefits online by visiting My Retirement section of the PG&E@Work for Me intranet site (effective January, 2014)

If you leave PG&E for any reason, your benefit will be the vested balance in your cash balance account. You decide whether to receive that benefit as a monthly annuity for life or as a lump sum eligible for rollover into an IRA or another qualified plan, or to defer payment to a later date.

If you were hired before 2013 and have earned a benefit under the Final Pay Pension, your election to commence benefits under the Cash Balance Pension is independent of your election to commence benefits under the Final Pay Pension.

Pay Credits

Under the Cash Balance Pension formula, your cash balance account is credited on the last day of each year with pay credits. The amount of your annual pay credit is based on "points," which are a combination of your years of service and age. The table below shows the Plan's pay credit schedule:

Annual pay credits based on points (age + service):	
Fewer than 40 points	5% of pay
40-49 points	6% of pay
50-59 points	7% of pay
60-69 points	8% of pay
70-79 points	9% of pay
80 or more points	10% of pay

For the purpose of determining annual pay credits, attained age and years of service, with both age and years each expressed as whole numbers, are set as of the effective date pay credits are added to your account. For example, if you have worked for PG&E for 7 years, 9 months and are age 55½, you have 62 points (7 years of service plus 55 years of age). Service includes the period of time beginning with the first day you are employed with the PG&E and generally continues through the date you terminate employment with PG&E. Service includes past service through 2013 under the Final Pay Pension formula. There is no credit for partial years and no proration for part-time service. If you leave PG&E before the end of the year, the pay credits earned for the partial year of service are credited to your cash balance account as of December 31st or the date benefit distributions begin, whichever is earlier.

Covered Pay

Covered Pay includes:

- Straight time pay or salary for hours worked and for temporary upgrades;
- Shift, Sunday, and nuclear premiums at the straight-time rate;
- Vacation and paid time off (PTO) including amounts paid out at termination or retirement;
- Paid Sick Pay, including amounts paid out at termination or retirement due to a disability;
- Holiday pay;
- Inclement weather pay;
- Differential Pay for military training (unless such training qualifies for military leave of absence coverage);
- Pay during an approved leave of absence; and
- Pay for other time off with permission.

Special Covered Pay Provisions

Special provisions apply when you are not receiving covered pay as defined above:

- Unpaid Leave of Absence. If you are a full-time employee immediately before an authorized leave of absence begins, covered pay will equal the rate of pay of your base classification in effect immediately before your leave of absence begins. Eligible leaves of absence include personal, medical, and military leaves. Please see the *Time Off and Leaves* section of the Handbook for more information. If you are in a part time position immediately before the leave of absence begins, your covered pay is based solely on eligible earnings paid to you while actively employed; you are not eligible for pay credits while on an unpaid leave of absence.

- Long Term Disability. If you are receiving Long Term Disability Plan payments, your covered pay will be based on the greater of: (1) rate of pay of your base classification in effect on your last day worked, or (2) the amount being received under the Long Term Disability Plan.
- Workers Compensation. If you are receiving Workers' Compensation Temporary Compensation, your covered pay will equal the rate of pay of your base classification in effect immediately before your temporary disability benefits begin.

Covered Pay does not include:

- Pay or premiums for more than 40 hours a week;
- Overtime pay;
- Bonuses of any kind or commissions;
- One-time payments including incentives, recognition awards, severance payments, excess vacation payments, or sale of vacation;
- Non-taxable payments including Workers' Compensation, state disability plan benefits, reimbursements or other expense allowances;
- Per diem allowances, reimbursements and other special fees or allowances; or
- Otherwise eligible covered pay while you are receiving pay credits based on a Special Covered Pay provision.

Covered Pay that may be considered by the Retirement Plan is also limited by requirements of the Internal Revenue Service. For 2013, Covered Pay up to $255,000 is considered for determining your Retirement Plan benefits. This limit is indexed for inflation and may increase for future years.

Interest Credits

In addition to pay credits, your Cash Balance Pension Account is also credited with interest. On the last day of each calendar quarter, your cash balance account is credited with interest equal to your cash balance account as of the first day of the calendar quarter multiplied by a quarterly interest rate.

The quarterly interest rate is calculated by averaging the published annual yields for 30-year Treasury Bonds for the three months immediately preceding the calendar quarter, then dividing by four to determine the quarterly equivalent of the average annual yield. For example, the quarterly interest rate for the April through June 2013 period equals an average of the monthly rates for January (3.08%), February (3.17%) and March (3.16%) of 2013 divided by four, or 0.784%. For any calendar quarter, the quarterly interest rate cannot be less than 0.4875%.

The published annual yields for 30-Year Treasury Bonds can be found on the IRS website under Retirement Plans. (see www.irs.gov/Retirement-Plans/Weighted-Average-Interest-Rate-Table for the published rates). The annual yield for each month is based on the column for the 30-year Treasury Securities Rate (30-yr TSR) and 30-year Constant Maturity Rate (30-yr TCM).

When you elect to begin benefit payments, you will receive a prorated quarterly interest credit for each month in the quarter before the date your cash balance benefit payments begin. For example, if you start payments on August 1, you will be credited with one-third of the quarterly interest that would normally be credited for the July – September quarter.

A Cash Balance Pension Account Example

Let's assume Sam is age 45 with 10 years of service and currently earns $90,000 a year. Annual pay increases by 3 percent each year, and interest credits are 3 percent per year (0.75% per quarter). Here's how Sam's account can grow over a five-year period.

Year	1	2	3	4	5
Beginning Balance	$0.00	$6,300.00	$12,980.13	$20,057.61	$28,533.77
Points (Age Plus Service)	55 (45 +10)	57 (46 + 11)	59 (47 + 12)	61 (48 + 13)	63 (49 + 14)
Annual Pay	$90,000	$92,700	$95,481	$98,345.43	$101,295.79
Q1 Interest Credits	$0.00	$47.25	$97.35	$150.43	$214.00
Q1 Ending Balance	$0.00	$6,347.25	$13,077.48	$20,208.04	$28,747.77
Q2 Interest Credits	$0.00	$47.60	$98.08	$151.56	$215.61
Q2 Ending Balance	$0.00	$6,394.85	$13,175.56	$20,359.60	$28,963.38
Q3 Interest Credits	$0.00	$47.96	$98.82	$152.70	$217.23
Q3 Ending Balance	$0.00	$6,442.81	$13,274.38	$20,512.30	$29,180.61
Q4 Interest Credits	$0.00	$48.32	$99.56	$153.84	$218.85
Pay Credit Rate	7%	7%	7%	8%	8%
Pay Credit	$6,300.00	$6,489.00	$6,683.67	$7,867.63	$8,103.66
Ending Balance	$6,300.00	$12,980.13	$20,057.61	$28,533.77	$37,503.12

In this example, the value of the cash balance account after five years is **$37,503.12**.

Vesting

You are 100 percent vested in the value of your Cash Balance Pension at the earliest of:

- attaining age 55 while an employee of PG&E; or
- completing three or more years of service (as described in the "Pay Credit" section).

If you were previously participating in the Final Pay Pension formula and elect the Cash Balance Pension during the one-time choice period in 2013, you will vest in both your Cash Balance Pension benefit and your current Final Pay Pension benefit after completing a total of three years of service (or age 55, if earlier). Prior service earned while participating in the Final Pay Pension is counted toward this total.

If you terminate employment with the Company prior to age 55 and before earning three years of service, you will lose your right to receive a Cash Balance Pension benefit.

When Benefits Are Payable

Effective January 2014, you may review your Cash Balance Pension benefits online by visiting My Retirement section of the PG&E@Work for Me intranet site. You may also request a Cash Balance Pension statement by sending an e-mail to the HR Service Center at HRBenefitsQuestions@exchange.pge.com, or by calling the HR Service Center at 415-973-4357 or toll-free at 800-788-2363.

Once you are vested, you can receive your Cash Balance Pension account at any time after your employment with PG&E ends. Keep in mind that your account will continue to receive interest credits for as long as the account remains in the Plan. However, unless you continue employment with PG&E, you must begin to receive your benefit no later than the April 1 of the year after the calendar year in which you reach age 70½. See "Minimum Distributions" under "When Benefits Are Payable" on page 5 for important information that may apply to certain deferred retirements.

If you are seriously considering retirement in the near future, you must notify the HR Service Center in writing 90 days before your proposed pension payment start date. Whether you are electing a lump sum payout or a monthly paid annuity benefit, you must submit a Pension Elections Form to the HR Service Center in order to receive your pension benefit. Your single lump sum payout or, in the event of an annuity, your first monthly pension payment will be paid to you within 30 days following your retirement date in order to allow for final processing and calculation of your Cash Balance Pension benefit. If you are receiving an annuity, your first pension payment will include both the first and the second month benefit payments.

Estimates of your lump sum payout or your pension annuity — whether performed by you online or obtained through the HR Service Center — are not binding and are subject to final review of payroll and employment data, as well as applicable plan provisions. If a mistake is made, you will be paid the correct amount, even if that amount is less than the estimated amount.

When Your Employment Ends

If you terminate employment with PG&E and are vested in your Cash Balance Pension benefit, you'll be eligible to receive the full balance from your cash balance account in a lump sum or an actuarially equivalent monthly benefit.

Your retirement status will be associated with the last classification you held before your employment ends and benefit payments begin. For example, if you had union-represented service, transferred to a management position and subsequently retired, you would be considered a management retiree.

Mandatory Distributions

If you have a vested benefit from the Retirement Plan and the value of your Cash Balance Pension account (plus the present value of any benefits payable to you under the Final Pay Pension formula) is less than $5,000 as of the date you terminate employment with the Company, you may elect to receive a single cash payment shortly after your employment ends or elect to roll over the distribution to a tax-deferred plan. You will receive a written explanation about rollover options prior to receiving your distribution from the Retirement Plan.

If you do not make an election and the value of your Retirement Plan benefit is greater than $1,000 but less than $5,000, the distribution will be paid as a direct rollover to an individual retirement account ("IRA") in your name selected by the Plan Administrator.

Minimum Distributions

Federal law imposes a minimum benefit amount that you must receive each year. This requirement typically applies if your first benefit payment begins after age 70½. The purpose of the law is to make sure individuals entitled to receive a benefit actually receive it during their lifetime. If you remain employed with the Company past age 70½, you will not be subject to minimum distributions until your actual retirement date (subject to changes in tax law).

If you are subject to the minimum distribution requirements, the Plan Administrator will calculate the amount of your benefit that will satisfy the minimum distribution requirement for the Retirement Plan. If you participate in other plans, including the Retirement Savings Plan or any personal IRAs, the minimum distribution requirements for those plans or retirement accounts must be satisfied independently of the requirements for this Plan.

Death Benefits

If you die before your cash balance account is distributed, it will be paid to your beneficiary. If you are married, your spouse is your default beneficiary. If you are not married, and you do not designate a beneficiary, your account is forfeited. For more information, see "If You Die Before You Retire" on page 43.

Payment Options

You can receive your vested cash balance account in a one-time lump sum payout or as a monthly paid annuity payable for your lifetime at any time beginning the first of the month after your employment ends.

Note to participants with benefits earned before January 1, 2013: You must make a separate payment election for your Final Pay Pension benefit. You may elect to receive your cash balance account in the same annuity form and at the same time as your Final Pay Pension benefit. There may be situations, however, where your cash balance account can be distributed, but you must wait until a later date to receive your Final Pay Pension benefit.

Lump-Sum Payout

You may elect to receive a one-time distribution of your entire Cash Balance Pension account at retirement or termination of employment. The lump-sum payment is equal to the balance of your cash balance account after final pay and interest credits. There is no reduction for early retirement. The distribution is taxable and early withdrawal penalties may apply if you take a distribution before retirement age. If you roll over your account directly to an IRA or another qualified retirement plan, you will be taxed only when you actually receive the money.

If you are married and your benefit under the Retirement Plan is greater than $5,000, and you elect a lump sum payout, your spouse must consent to this election in writing. Both you and your spouse must sign the Pension Elections Form, and your spouse's signature must be witnessed by a Notary Public.

If your account balance is $5,000 or less, it will automatically be paid to you as a lump-sum payout. See "Mandatory Distributions" on page 38 for more information.

Normal Annuity Payments

If your account balance is $5,000 or more, and you do not elect a lump-sum payout at termination of employment, the normal form of payment for your cash balance pension is a monthly paid annuity.

The monthly paid annuity is the actuarial equivalent of your Cash Balance Pension account. An actuarial equivalent is the fixed monthly benefit payable for your lifetime that is the equivalent value to your cash balance account. This actuarial equivalent is determined by multiplying your account balance dollar value by a factor based on your age (or the ages of you and your spouse/beneficiary), and interest and mortality rates set by the IRS in August of the prior year. For example, an annuity starting in February 2014 will use factors based on the IRS mortality and interest rates set in August 2013.

Below are the normal forms of payment based on your marital status at the time your benefit is scheduled to begin:

- **If you are unmarried at the time you begin receiving payments** from the Retirement Plan, you will automatically receive a Single Life Pension, with no provision for continuing payments to a survivor, unless you elect otherwise on the Pension Elections Form.
- **If you are married at the time you begin receiving payments** from the Retirement Plan, you will automatically receive a 50 percent joint pension with your spouse as the joint annuitant (a "Marital Pension"). This form of benefit will, upon your death, continue making benefit payments to your spouse for your spouse's lifetime based on 50 percent of the payment amount during your life. If you elect continued payments of less than 50 percent for your spouse, or you elect a joint pension with someone other than your spouse, both you and your spouse must sign the Pension Elections Form, and your spouse's signature must be witnessed by a Notary Public.

For purposes of the Retirement Plan, you have a “spouse” if you are married to:

- An opposite-sex partner in any jurisdiction;
- A same-sex partner in jurisdictions where same-sex marriage is recognized; or
- A same-sex or opposite-sex partner under a California domestic partnership registered with the California Secretary of State.

Optional Forms of Annuity Payments

If you wish, you may waive the normal form of annuity payment and receive your benefit in one of the following optional forms of annuity payments.

Single Life Pension

- This is the normal annuity form for unmarried participants. If you are married, you may elect to receive your pension based on your own life expectancy only and not provide any payments to a survivor. Your spouse must consent to this election in writing. If you choose to provide no continuing pension for your spouse, both you and your spouse must sign the Pension Elections Form, and your spouse’s signature must be witnessed by a Notary Public.
- If you elect to receive your Cash Balance Pension benefit in the form of a Single Life Pension, Cash Balance Pension benefit payments will stop at your death. A continuing pension will not be paid to your spouse or any other person after your death.

Joint Pension

These options are similar to the normal annuity form for married participants. If you want to provide a continuing pension to someone in the event of your death, you may elect a “joint pension.” You may designate anyone as your “joint pensioner.” Your own pension benefit will be reduced so that up to 100 percent of this reduced amount can be continued to your joint pensioner in the event of your death. The amount your pension is reduced depends on your age and the age of your joint pensioner, as well as the percentage of your pension benefit that you elect to be continued to your joint pensioner.

You may elect a joint pension that provides for a payment of 25 percent, 50 percent, 75 percent, or 100 percent of your reduced benefit to your joint pensioner after your death. If you are married, your spouse will need to consent to your election of a joint pension with someone other than your spouse, or a joint pension with your spouse that only pays 25 percent of your benefit after your death.

In certain cases, IRS rules may limit the joint pension benefit payable to a non-spouse joint pensioner. The Plan Administrator will notify you if your desired joint pension election is affected by these rules.

Special Joint Pension (“Pop-Up”)

You may also elect a “Special Joint Pension” which will allow your reduced monthly pension to increase or “pop up” to the full amount, as if you had never elected a joint pension, if your joint pensioner dies before you. However, your basic monthly pension benefit amount will be further reduced to reflect this additional benefit.

You may elect a Special Joint Pension that provides for a payment of 25 percent, 50 percent, 75 percent, or 100 percent of your reduced benefit to your joint pensioner after your death. If you are married, your spouse will need to consent to your election of a joint pension with someone other than your spouse, or a Special Joint Pension with your spouse that only pays 25 percent or 50 percent of your benefit after your death. To make this election, both you and your spouse must sign the Pension Elections Form, and your spouse’s signature must be witnessed by a Notary Public.

Making Your Payment Election

Your elections are made on your Pension Elections Form. To help you make the best decision for your needs, the HR Service Center and Xerox HR Services will provide you with an estimate of the pension amounts you would receive under the various payment options available from the Plan.

In order to comply with ERISA requirements and to allow for administrative processing, your completed Pension Elections Form and supporting documents must be returned to the HR Service Center at least 30 days in advance of your first pension check. If your completed paperwork is not received in time to process the payment (at least 30 days before your requested retirement date), your pension benefit will be recalculated to start the first of the next month following the end of the 30-day period. For example, if your requested pension benefit date is May 1, 2013, and your completed paperwork is received on April 10, 2013, your new pension benefit date will be recalculated for June 1, 2013. The Retirement Plan does not allow retroactive payments.

Changing Your Election

Once you elect a payment option, you may change your election before your pension date. In order to do so, you must complete a new Pension Elections Form and have it notarized. If you have submitted more than one Pension Elections Form, your pension benefit will be based on the most recently submitted correctly completed Pension Elections Form as of your pension date.

Once your pension date has passed, all of your elections are irrevocable. For instance, if you are receiving a pension benefit that continues a benefit to your spouse, and your spouse dies before you do, your pension amount will not be increased unless you elected the special joint pension with your spouse. Your joint pension may not be transferred to another person, even if you remarry.

Different rules apply if you elect a joint pension and either you or your joint pensioner dies before your Retirement Plan payments begin. If your joint pensioner dies before your payments begin, the election you made on your Pension Elections Form will be ineffective, and you will receive a Single Life Pension benefit unless you elect otherwise. If you die before your payments begin, your surviving spouse or named beneficiary will receive the larger of the pre-retirement survivor pension (see “If You Die Before You Retire” on page 43) or your elected joint pension.

Loss or Reduction of Benefits

There are certain circumstances under which your Cash Balance Pension benefits may be lost or reduced. These circumstances include the following:

- If you terminate employment with the Company prior to age 55 and before earning three years of service, you will lose your right to receive a Cash Balance Pension benefit.
- If you elect to receive your Cash Balance Pension benefit in the form of a Single Life Pension, Cash Balance Pension benefit payments will stop at your death. A continuing pension will not be paid to your spouse or any other person after your death.
- If you are not married and you die without a designated beneficiary, your Cash Balance Pension account will be forfeited.

Facility of Payment

If you are entitled to any payment under the Plan, and the Plan Administrator determines that you are physically or mentally incompetent and no guardian or conservator has been appointed to receive your payment, the Plan Administrator may make payments on your behalf to a third-party to be applied for and on behalf of and for your benefit. Payments made on your behalf will completely discharge the Plan’s responsibility for the amount of the payment.

No Guarantee of Employment

Participation in the Plan does not guarantee your right to employment with PG&E or any affiliates. Further, nothing set forth in this Summary Plan Description should be interpreted to give you or your beneficiary any legal or equitable rights against PG&E or its affiliates.

Military Service

Federal law provides rights to certain reemployed veterans for service credit, including for purposes of benefit accruals in certain situations, for periods of military service. Please contact the HR Service Center for more information.

Your Responsibility to Maintain a Current Address

You will receive periodic information regarding your Retirement Plan benefits. After your employment ends, you will receive periodic information about your vested benefit under the Retirement Plan. It is your responsibility to notify the Plan Administrator of any changes in your home address. To change your address, contact the HR Service Center at 415-973-4357 or toll-free at 800-788-2363.

If correspondence regarding your plan benefits is returned as undeliverable, the Plan Administrator will make efforts to locate you, including engaging the services of third-party address search services. If the Plan Administrator is unable to locate a Participant on the latest date upon which your Cash Balance Pension payments must start, the Participant's benefit under the Plan will forfeited and used to offset future employer contributions. If a proper claim is subsequently presented, the Participant's benefit will be reinstated without any earnings or interest adjustment.

Borrowing, Pledging, and Assigning Interests in the Plan

No participant or beneficiary may borrow against, pledge, or assign — voluntarily or involuntarily, or by operation of law — any interest in the Retirement Plan or in any distribution to be made under the Retirement Plan. However, this does not prevent a spouse, former spouse, child, or other dependent of an employee to claim an interest in an employee's Retirement Plan benefits under a QDRO issued by a court (see "If You Get Divorced" on page 42)). Generally, except as described above, no party, including creditors of the PG&E, has or may create a lien on your benefit under the Retirement Plan.

What Happens…

If You Leave the Company

As long as you are fully vested in your benefit under the Plan, you can elect to receive the full balance of your cash balance account paid to you in a single lump sum payment, or to receive an actuarially equivalent monthly lifetime benefit. A lump sum payment or the monthly benefit amount would be subject to income tax. Any withdrawals before age 59½ could incur federal or state penalties unless you roll your account balance to an IRA or another qualified retirement plan.

If You Get Divorced

Under current California law, certain Company-provided employee benefits which you earn while married are community property and, thus, can be divided between you and your ex-spouse by court order in a divorce proceeding.

The Retirement Plan is a pension plan which is governed by the Employee Retirement Income Security Act of 1974 (ERISA). Under ERISA, Retirement Plan benefits may not be divided between the parties in a divorce except through a Qualified Domestic Relations Order (QDRO).

A QDRO is a judgment, decree or order which relates to the provision of child support, alimony or marital property rights to an alternate payee (including a spouse, former spouse, child or other dependents). It creates or recognizes the existence of an alternate payee's rights. The QDRO also assigns to an alternate payee the right to receive all or a portion of the benefits payable to a participant under a plan.

For detailed information regarding how divorce affects your Retirement Plan benefits, or a free sample QDRO and QDRO procedures, you can call the HR Service Center at 415-973-4357 or 800-788-2363.

If you are ready to retire or begin your pension and your divorce is final but you have not yet received a file-endorsed QDRO, you should submit your otherwise completed paperwork by the deadline for your desired pension date. Your pension payments will accrue monthly and be held back until PG&E receives the file-endorsed QDRO, at which point the accrued amount in accordance with the file-endorsed QDRO will be released to you with your first regular monthly pension payment. If you have submitted otherwise complete retirement paperwork, your retirement date and the commencement of retiree medical, life insurance, and other retirement benefits, if applicable, will not be affected by the lack of a QDRO at the time you wish to retire.

If you have both a Final Pay Pension and a Cash Balance Pension, and you have an existing QDRO relating to your Final Pay Pension, you and your ex-spouse may provide a revised QDRO that addresses both benefits. If you choose not to do that, the existing QDRO will apply to both of your benefits – your frozen Final Pay Pension and your Cash Balance pension – as interpreted by the Plan Administrator or its delegate.

If You Die Before You Retire

The Retirement Plan may provide a pension benefit for your spouse or a designated beneficiary if your death occurs before you receive your cash balance account. If you are married, your spouse is automatically your designated beneficiary. You must complete a Pre-Retirement Beneficiary Designation Form if you are not married, or wish to name a beneficiary other than a spouse for your Retirement Plan. If you are married, your spouse must consent to your naming someone else, and your spouse's consent must be witnessed by a Notary Public. Contact the HR Service Center or visit PG&E@Work for more information and the necessary forms. For purposes of the Retirement Plan, you have a "spouse" if you are married to:

- An opposite-sex partner in any jurisdiction;
- A same-sex partner in jurisdictions where same-sex marriage is recognized; or
- A same-sex or opposite-sex partner under a California domestic partnership registered with the California Secretary of State.

You will receive a notice that describes your right to designate a pre-retirement beneficiary. If you're married, that notice describes your right to designate a non-spouse beneficiary to receive a pre-retirement survivor's pension — and your spouse's right to consent to such election. Contact the HR Service Center or visit PG&E@Work for more information and the necessary Pre-Retirement Beneficiary Designation Forms.

If you are married:

- Your spouse is your designated beneficiary. If you die before receiving your benefits, your spouse will receive your vested cash balance account in a single life pension annuity. Instead of the single life annuity, your surviving spouse may elect to receive the amount of your vested account in a single lump-sum payment.
- If you have named someone other than your spouse as beneficiary, your beneficiary will receive your vested cash balance account in a single lump-sum payment. Instead of the lump sum, your beneficiary may elect to receive the amount of your vested cash balance account in a single life pension annuity.

If you are not married:

- You must designate a beneficiary to have your cash balance account paid as a survivor benefit. If you are not married and do not designate a beneficiary, your cash balance account will be forfeited upon your death.
- If you die before commencing your benefit, your beneficiary will receive your vested cash balance account in a single lump-sum payment. Instead of receiving the lump sum, your beneficiary may elect to receive the amount of your vested cash balance account in a single life pension annuity.

If the total Retirement Plan benefit payable on your death is less than $5,000 as of the date of death, the mandatory distribution rules will apply to benefits payable to the spouse or beneficiary. See "Mandatory Distributions" on page 38 for more information.

Payment of the survivor benefit will be made as of the first of the month following your death. Your spouse or beneficiary may elect to defer payment until a later date unless your account is subject to mandatory distribution. A beneficiary election to receive payment in the form of a pension annuity must be made no later than December 31 of the year following your death.

If you die *after* beginning monthly payments of your benefit, payments will continue to your spouse or designated beneficiary only if you elected an annuity form of payment that includes a survivor benefit.

Note to participants employed before January 1, 2013: If you are vested, and die before receiving a monthly benefit under the Final Pay Pension formula, your spouse or designated beneficiary may be eligible to receive a monthly survivor benefit from that benefit formula. See "If You Die Before You Retire" in the *Retirement Plan — Final Pay Pension Benefit* section for more details about the pre-retirement survivor annuity under the Final Pay Pension formula. You may elect a different beneficiary for your Cash Balance Pension than the person you choose for your Final Pay Pension benefit.

If You Die Within 30 Days of Your Retirement Date

If your death occurs within 30 days of your retirement date, special rules apply:

- If you are married and have submitted completed retirement paperwork to PG&E electing a joint pension with your spouse, your spouse will receive the greater of the joint pension you have elected or the Pre-Retirement Survivor's Pension described above.
- If you are not married and have elected a joint pension with someone who is not on your Pre-Retirement Beneficiary Designation Form, or if you are married and have elected a joint pension with someone other than your spouse, your joint pensioner will receive the greater of the joint pension that you elected or the amount of the Pre-Retirement Survivor's Pension.
- If you are single and you have elected a joint pension with your pre-retirement beneficiary, your beneficiary will receive the greater of the joint pension you have elected or the Pre-Retirement Survivor's Pension.

If You Are Rehired on or After January 1, 2013

If you leave PG&E while participating in the cash balance formula and are later re-hired, the impact on your cash balance account will depend on your vesting status and on whether you received a Cash Balance Pension benefit upon leaving PG&E:

If You Were Vested in Your Cash Balance Pension at Termination	
And You Received Your Cash Balance Pension Benefit	▪ **Previous Lump-Sum Payout:** If you received a lump-sum payout of your cash balance account, when you are rehired, your starting cash balance account at rehire will equal $0. Going forward, you'll receive pay credits and interest credits to your account. Prior service will be considered in determining points used to calculate pay credits. ▪ **Previous Monthly Annuity Payments:** If you are receiving monthly annuity payments from your previous cash balance account, these payments will continue. A new cash balance account will be established for you with an initial balance of $0. Going forward, you'll receive pay credits and interest credits to your account, the same as any new hire. Prior service will be considered in determining points used to calculate pay credits.
And You Did Not Receive a Cash Balance Pension Benefit	▪ If you didn't receive a distribution from your previous cash balance account, then when you are rehired, your account balance will equal the balance at your termination date plus interest credits earned until your date of rehire. Going forward, you'll receive pay credits and interest credits to your account. Prior service will be considered in determining points used to calculate pay credits.

If You Were Not Vested in Your Cash Balance Pension at Termination	
And Your Break-in-Service Was…	▪ **Less Than Five Years Prior to Rehire:** If you have a break-in-service that is less than five years, then when you are rehired, your account balance as of your termination date will be restored and interest credits for the period of the break will be applied. Your account will also include interest credits earned until your date of rehire. Going forward, you'll receive pay credits and interest credits to your account. Prior service will be considered in determining points used to calculate pay credits. ▪ **Five Years or More Prior to Rehire**: If your break-in-service equals or exceeds five years, then when you are rehired, your cash balance account will equal $0. Going forward, you'll receive pay credits and interest credits to your account. Prior service will be considered in determining points used to calculate pay credits.

If You Were Vested in a at Termination	
And You Started Receiving Your Final Pay Pension Benefit	▪ **The annuity you are receiving will continue being paid during re-employment; there is no suspension of benefit.** You will start earning a new Cash Balance Pension benefit upon re-employment. However, points used to determine cash balance pay credits will recognize prior service for which a Final Pay Pension is being paid.
And You Have Not Started Receiving Your Final Pay Pension Benefit	▪ You will automatically begin earning a Cash Balance Pension. Points used to determine pay credits will recognize prior service in accordance with Break In Service rules under the Final Pay Pension.
If You Were Not Vested in a at Termination	
And Your Break in Service Was:	▪ **Less than Five Years:** Your benefit earned under the Final Pay Pension up to your termination date will be restored. Prior service will be recognized for cash balance pay credits and vesting in both the Final Pay Pension and Cash Balance Pension benefit. ▪ **More than Five Years:** Your benefit earned under the Final Pay Pension up to your termination date will not be restored. However, your prior service will be recognized for determining cash balance pay credits going forward

If You Also Have a Benefit Under the Final Pay Pension Formula

Two types of employee may also have a benefit under the Final Pay Pension — an employee who elects the Cash Balance Pension during the one-time pension choice period in 2013, and an employee who terminated while participating in the Final Pay Pension and is re-hired in 2013 or later.

If you elect the Cash Balance Pension during the one-time pension choice period in 2013, your Retirement Plan benefits will have two components:

- Your accrued **Final Pay Pension benefit** as of December 31, 2013 payable as a monthly annuity; plus
- Your accrued **Cash Balance Pension benefit** from January 1, 2014, through the end of your PG&E employment (which can be paid to you as a lump sum or as an actuarially equivalent annuity).
- If you are a rehired employee and earned a Final Pay Pension during your past employment, your Retirement Plan benefits will have two components:
  - Your accrued **Final Pay Pension benefit** earned as of your last day of employment before your first rehire date on or after January 1, 2013 (payable as a monthly annuity); plus
  - Your accrued **Cash Balance Pension benefit** from your date of re-hire, through the end of your PG&E employment (which can be paid to you as a lump sum or as an actuarially equivalent annuity).

All service earned under the Final Pay Pension will be recognized in determining pay credits under the Cash Balance Pension. For details about your Final Pay Pension, see the *Retirement Plan —Final Pay Pension* section of this Handbook.

If you are earning a benefit under the Cash Balance Pension formula, you are also eligible for a higher Company match to your 401(k) contributions. See the Retirement Savings Plan description for more information.

If Your Benefit Is Affected by IRS Limits

The Internal Revenue Code ("IRC") and ERISA impose limitations on benefits provided under the Retirement Plan, both alone and in conjunction with other plans sponsored by PG&E. Generally, these limitations affect only the benefits of certain highly compensated employees. The Plan Administrator will notify you if you are affected by these limits.

If the Retirement Plan becomes less than 80 percent funded, as determined under applicable IRC rules, the Retirement Plan's ability to pay lump sum benefits may be restricted. In addition, if the Retirement Plan becomes less than 60 percent funded, additional payment restrictions may apply and, subject to applicable IRC requirements, all Retirement Plan participants will automatically cease to earn any additional Retirement Plan benefits. The Plan Administrator will notify you if you are affected by these restrictions.

If You Take a Leave of Absence

If you are on disability leave or take an approved unpaid leave of absence (including leave while receiving Workers' Compensation temporary disability payments):

- If you're a full-time employee immediately prior to the authorized leave of absence, pay credits that would have been earned during the leave period will be granted based on your straight-time rate of pay in effect for your classification immediately before your leave began
- If you're a part-time employee, no pay credits are earned during the unpaid leave.

You'll continue to receive interest credits during your leave.

If you are receiving Long Term Disability (LTD) benefits, you will receive pay credits that would have been earned during the LTD period based on the greater of your:

- last active straight-time rate of pay in effect for your classification; or
- LTD benefit.

You are not eligible to take a lump-sum payout or begin receiving an annuity while you are on LTD. If you have a severance from service and elect to start Retirement Plan benefits, and are later reinstated on to LTD, your pension annuity (if elected) will continue, but your LTD benefit will be reduced by the full pension benefit. If you elect a single lump-sum payout of your Cash Balance Pension, the offset to your LTD benefit will equal the actuarial equivalent value of your cash balance account at the time your lump-sum payment was made.

Claims and Appeals

Requesting Benefit Payments

To receive a benefit from the Retirement Plan, you generally must complete a Pension Elections Form and provide any additional information needed to process your request and withhold taxes. If you disagree with the response to your request for benefits, whether in whole or in part, and believe you may be entitled to benefits greater than the amount determined by the Plan Administrator, you have the right to pursue your claim for benefits through the Retirement Plan's Claims Procedures. You also have the right to file suit in a Federal court once you have exhausted all steps of the Retirement Plan's Claims Procedures.

Formal Benefit Claims Procedures

To make a formal claim for benefits, you must submit your claim within at least 60 days after you first receive the information on which your claim is based by writing to:

Pacific Gas and Electric Company
Benefits Department
Retirement Plan Appeals
1850 Gateway Boulevard, 7th Floor
Concord, CA 94520

No special form or format is required in submitting a claim for benefits; you may submit written comments, documents, records, and other information relating to your claim. You may also request, free of charge, access to, or copies of, all documents, records, and other information relevant to your claim for benefits. The review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered at the initial benefit determination. Please note, however, that it is the obligation of the Benefits Department to administer the Plan fairly, consistently, and in accordance with the provisions of the Plan.

If the Benefits Department denies your claim, you will receive written notice of the denial within 90 days of receipt of the initial claim unless, due to special circumstances, an additional 90 days is required. Such notification will set forth:

- the specific reason(s) for the denial of the claim;
- a reference to the Plan provisions which apply to the denial;
- a description of any additional material or information necessary for a participant or beneficiary to perfect the claim and an explanation of why such material or information is necessary;
- a description of the Plan's review procedures and the time limits applicable to such procedures; and
- a statement of the participant's or beneficiary's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review, and after exhausting your administrative remedies under the Plan.

If you are not satisfied with the Benefit Department's decision, you may then submit a written appeal for review (within 90 days of receiving the Benefits Department's notice of denial) to the Employee Benefit Appeals Committee (EBAC), the final adjudicator in the appeals process, stating the reasons for your appeal and enclosing all documentation and any additional information to support your appeal.

Send your appeal to:

Pacific Gas and Electric Company
Benefits Department
EBAC Appeals
1850 Gateway Boulevard, 7th Floor
Concord, CA 94520

You will receive a final ruling from EBAC within 60 days of EBAC's receipt of your appeal unless, due to special circumstances, EBAC requires additional time to respond, up to another 60 days.

If EBAC denies your appeal, you will receive a written response which will include:

- the specific reason(s) for the denial of the claim;
- a reference to the specific Plan provision(s) on which the denial is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim for benefits; and
- a statement of your right to bring a civil action under section 502(a) of ERISA.

A participant who is a member of a bargaining unit under any collective bargaining agreement between the Company and any union may use the grievance or adjustment procedure of the appropriate collective bargaining agreement to resolve any dispute concerning any question of service, status or membership under the Plan instead of the appeals procedures described above.

The administrative remedies described in this section (as well as a grievance or adjustment procedure of the appropriate collective bargaining agreement if it is used instead of the appeal rights described above) must be exhausted before any legal action can be taken by a claimant. If a claimant timely exhausts all levels of appeal available to the claimant under the Plan's claims procedures (including appeals to both the Plan Administrator and the EBAC), any permissible legal action under ERISA section 502(a) must be initiated within the applicable statute of limitations. The review procedures described in this section are the exclusive administrative procedures provided under the Plan.

The Pension Benefit Guaranty Corporation

Your pension benefits under the Retirement Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under a terminated plan, but some people may lose certain benefits.

The PBGC guarantee generally covers:

- normal and early retirement benefits;
- disability benefits if you become disabled before the pension plan terminates; and
- certain benefits for your survivors.

The PBGC generally does not cover:

- benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates;
- some or all of the benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the time the plan terminates;
- benefits that are not vested because you have not worked long enough for the company;
- benefits for which you have not met all of the requirements at the time the plan terminates;
- certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age; and
- non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money you plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington DC 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

Or contact:

Pacific Gas and Electric Company
Benefits Department
1850 Gateway Boulevard, 7th Floor
Concord, CA 94520
415-973-4357 or 800-788-2363

Tax Considerations

All Plan distributions are considered taxable income and are subject to normal federal and (if applicable) state and/or local income taxes.

Annuity payments are subject to income tax withholding at ordinary income tax rates.

If you elect a lump-sum payment to be paid to you, the Company must withhold 20 percent federal tax from your distribution unless you elect a direct rollover. This withholding is sent to the IRS and is credited as part of your tax withholding for the year in which you receive your distribution.

If you're under age 59½ and don't roll over your lump-sum payment to an Individual Retirement Account (IRA) or other tax-qualified retirement plan, your distribution may be subject to a 10 percent federal income tax penalty in addition to the 20 percent withholding tax. State income tax penalties may also apply. However, the additional 10 percent IRS penalty does not apply if your payment is:

- paid to you because you leave the Company during or after the year in which you reach age 55;
- paid to you after you're permanently and totally disabled;
- paid to you as equal (or almost equal) payments over your life expectancy (or you and your beneficiary's combined life expectancies);
- used to pay certain medical expenses; or
- paid to your beneficiary after your death.

Tax laws are complicated and subject to frequent change. You should consult a qualified tax advisor before making your distribution election.

Retirement Savings Plan

The PG&E Corporation Retirement Savings Plan for Union-Represented Employees ("the Plan") offers you a valuable way to save for your future, through pre-tax and after-tax contributions, as well as employer contributions.

The Plan is a restatement of the Pacific Gas and Electric Company Savings Fund Plan for Union-Represented Employees which offers eligible employees of the Corporation, Pacific Gas and Electric Company (the Company) and other affiliated subsidiaries (collectively, "the Company" or "PG&E") a tax-advantaged way to save for retirement. The Plan also includes an additional component — an Employee Stock Ownership Plan (ESOP), which is linked to the PG&E Stock Fund investment option (see "PG&E Corporation Stock Fund Dividends" on page 64 for more information. The Plan is intended to qualify under section 401(a) and section 401(k) of the Internal Revenue Code (IRC). The Plan is also intended to satisfy the requirements of section 404(c) of the Employee Retirement Income Security Act of 1974, as amended (ERISA), including all applicable regulations issued by the United States Department of Labor and the United States Treasury Department.

"Company" Defined

Throughout this Retirement Savings Plan section, unless otherwise stated, reference to "Company" or "PG&E" means PG&E Corporation. The plans and benefits described in the section also apply to employees of Pacific Gas and Electric Company and other designated subsidiaries, but only to the extent that such entities are participating employers with respect to the described plans or programs and such employees meet the eligibility requirements of the plans or programs.

This Summary Plan Description contains a summary of your rights and benefits under the Plan. It is not meant to interpret, extend or change the Plan in any way. A copy of the Plan is on file with the Administrator and may be reviewed by any participant or beneficiary at any reasonable time.

The Plan document governs in the event of any discrepancy between this Summary Plan Description and the actual provisions of the Plan document. The Corporation reserves the right to change, amend, or terminate the Plan at any time.

This Retirement Savings Plan section constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933. This prospectus is attached at the end of this Summary of Benefits Handbook. If you have questions about the Plan or the Summary Plan Description, please contact the RSP Service Center at 877-PGE-401k or 877-743-4015 or the Plan Administrator (see the *Rules, Regulations and Administrative Information* section for contact information)

Retirement Savings Plan at a Glance

- The Retirement Savings Plan for Union-Represented Employees, sometimes referred to as the 401(k) plan, offers a tax-advantaged way for you to save for retirement. You may contribute a portion of your salary to the Plan on a pre-tax basis, an after-tax basis, or a combination of both.
- Beginning January 1, 2013, certain aspects of participation in the Plan will depend on the form of pension benefit that you earning under the Pacific Gas and Electric Company Retirement Plan (the Retirement Plan), or your date of hire or rehire. If you are participating in the Cash Balance Pension, or generally were hired or rehired after 2012, you will be automatically enrolled in the Plan when you have completed one year of service, and you will be eligible for a higher employer match. Please see the *Retirement Plan — Cash Balance Pension Benefit* section for more information.
- After an eligible employee has completed one year of service and makes contributions to the Plan, certain participant contributions are eligible for matching employer contributions. Matching employer contributions are invested in units of the PG&E Corporation Stock Fund, but you may transfer company matching contributions to other Plan investment options at any time.
- You are fully vested in your contributions to the Plan and in all employer contributions credited to your account, together with any earnings.

- Contributions made on a pre-tax basis are made before income taxes are withheld, reducing your taxable income. Income taxes on pre-tax contributions and any earnings are deferred (postponed) until you withdraw the money from the Plan. Although after-tax contributions are deducted after income taxes are withheld, taxes on earnings are deferred so long as the amounts remain in the Plan. The Plan does not offer a Roth 401(k) option at this time.
- The Plan offers three tiers of investment options for you to choose from. Your individual investment strategy should reflect your personal savings goals and tolerance for financial risk. Ultimately, your investment choice is an individual decision.
- If you need professional advice on how to invest contributions to the Plan, you should seek assistance from a financial consultant or tax advisor. You may also obtain investment advisory assistance through the services provided by Financial Engines (see “Investment and Advisory Services” on page 72 for more information).

Participating in the Plan

Who’s Eligible

In general, the Plan covers those union-represented employees of participating employers within PG&E Corporation whose collective bargaining agreement provides for participation in the Plan. Certain classifications of union-represented employees, such as Hiring Hall, Temporary Additional, and Outage classifications are not eligible to participate in the Plan.

You may participate in the Plan for as long as you remain an eligible employee of a participating employer within the PG&E Corporation.

If you are rehired by a participating employer within PG&E Corporation, and you had previously worked more than 12 months for PG&E or you had left PG&E less than 12 months before your rehire date, you will receive credit for your past service.

Enrolling in the Plan

You are eligible to participate in the Plan when you start work in an eligible job classification. You may enroll and elect to have pre-tax, after-tax, or a combination of both types of contributions in an amount up to 20 percent of your covered compensation deducted from your pay.

Your elected contributions to the Plan will be deducted from your salary as soon as practicable after you enroll, or, if applicable, once you are automatically enrolled in the plan (see “Automatic Enrollment in the Plan,” below).

After your personal employment data is processed, you will receive an enrollment kit from the Plan’s service provider, Fidelity Investments (Fidelity). You can enroll through Fidelity NetBenefits℠ online account services at www.401k.com. You may also enroll using Fidelity’s RSP Service Center (877-PGE-401K or 877-743-4015.) You may choose the percentage of your covered compensation from 0 percent up to 20 percent that you wish to contribute to the Plan and your investment elections. If you don’t provide investment instructions for your Plan contributions, including if you are automatically enrolled in the Plan, they will be allocated to the Target Date Fund with a target date closest to your 65th birthday until you specify otherwise (see “Investment Options” on page 57).

Automatic Enrollment in the Plan

You will be automatically enrolled in the Plan if you are an:

- Eligible employee hired or rehired on or after January 1, 2013, or
- Eligible employee hired or rehired before January 1, 2013 who elects to participate in the Cash Balance Pension feature of the Pacific Gas and Electric Retirement Plan (“Retirement Plan”), effective as of January 1, 2014.

All other groups of employees, including eligible employees who continue to participate in the Final Pay pension formulas in the Retirement Plan are not covered by automatic enrollment and must complete the enrollment process to begin making contributions to the Plan (see "Enrolling in the Plan," above).

If automatic enrollment applies to you, it will work as follows:

If you are hired or re-hired on or after January 1, 2013: You are automatically enrolled for pre-tax deductions at a rate of 8% of your covered compensation. Your automatic enrollment will be effective at the beginning of the first pay period that starts one year after your hire date (once you become eligible to receive matching contributions), or as soon thereafter as practicable, unless you specifically elect not to participate in the Plan, or elect to contribute a different rate of your covered compensation.

After your personal employment data is processed, you will receive an enrollment kit from the Plan's service provider, Fidelity Investments (Fidelity). Your enrollment kit will indicate your automatic enrollment date, pre-tax contribution percentage, and the default investments that will apply. This kit will also tell you how to change the percent of pay you are contributing, make your personal investment elections, and how to decline to participate in the Plan. If you enroll on your own before your automatic enrollment effective date, there will be no change to your contribution or investment elections.

If you elect to participate in the Cash Balance Pension during the one time pension choice period in 2013: The automatic enrollment process will apply to you beginning January 1, 2014. If you are contributing less than 8% of your covered compensation as of January 1, 2014, you will be automatically enrolled for pre-tax deductions at the 8% contribution level as of the first payroll period, or as soon thereafter as practicable, unless you specifically elect not to participate in the Plan or elect a different contribution rate.

Re-enrollment of Automatically Enrolled Participants: If automatic enrollment applies to you, and you reduce your contribution percentage below 8% of covered compensation, you will be automatically enrolled at the 8% contribution level in January of the next plan year. Each time you are re-enrolled, you may elect not to participate in the Plan, or elect to contribute a different rate of your covered compensation.

If this is the first time you are automatically enrolled in the Plan: You may request a refund of your automatic enrollment contributions no later than 90 days after the date that the first automatic enrollment contribution is made. You will receive a distribution of the amounts deducted from your pay under this automatic enrollment provision. The distribution will be increased to reflect earnings on your contributions, or decreased to reflect investment losses, but you will forfeit any company matching contribution and applicable earnings on such company match. Your request to receive a refund will also be considered an election to defer 0% of your covered compensation until you elect to begin making contributions or automatic re-enrollment.

Contribution refunds are subject to income tax when distributed, but early distribution penalty taxes do not apply. These amounts are not eligible for a tax-deferred rollover.

By law, you may only request a refund the first time the automatic enrollment process under this Plan is applied to you. This is true whether or not you elected a refund when you were automatically enrolled for the first time, or if you are a rehire who was automatically enrolled in the Plan during a period of previous employment.

Beneficiary Designation When Participation Begins

Once you are participating in the Plan, you should designate a beneficiary. This may be done online by choosing "Your Profile" at Fidelity NetBenefits or www.401k.com. If you do not have online access, you may contact Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015) to request a beneficiary designation form.

If you do not designate a beneficiary, your default beneficiary will be your spouse if you are married, or your estate if you are not married. If you are married and designate anyone other than your spouse as a beneficiary, you must submit notarized evidence of spousal consent. You should review your beneficiary designations regularly, and any time your circumstances change (such as marriage, divorce, or birth or adoption of a child). You may change your beneficiary designation at any time.

For purposes of the Plan, you have a "spouse" if you are married to:

- An opposite-sex partner in any jurisdiction;

- A same-sex partner in jurisdictions where same-sex marriage is recognized; or
- A same-sex or opposite-sex partner under a California domestic partnership registered with the California Secretary of State.

Contributions

This section contains information about the types of contributions you may make to your account. To start, stop, or change the amount of your contributions to the Plan, you can log on to Fidelity NetBenefits℠ online account services at www.401k.com or call Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015) and speak with a Participant Services Representative or use the automated voice response system.

PG&E makes every effort to send your contributions and the company match to Fidelity within several business days, or as soon as practicable after your payroll date. When Fidelity receives the funds, they invest your contributions based on the choices you made for your investment portfolio.

Vesting

You are 100% vested at all times in the contributions you make to your own account. You are also 100% vested at all times in employer contributions credited to your account.

Employee Contribution

You may elect to contribute any amount in 1% increments from 1% to 20% of your covered compensation on a pre-tax basis, on an after-tax basis, or a combination of both.

Covered compensation includes:

- straight-time pay for hours worked and for temporary upgrades;
- shift and nuclear premiums at the straight-time rate;
- vacation pay (including vacation upon termination or retirement), sick leave pay, holiday pay, and pay during an approved leave of absence;
- inclement weather pay;
- differential pay for military service;
- pay for other time off with permission; or
- employer-paid benefits for disability, including and supplemental benefits for industrial injury.

Covered compensation does not include:

- pay or shift and nuclear premiums for more than 40 hours a week;
- overtime;
- one-time payments including bonus and incentive payand recognition awards;
- reimbursements
- severance payments, or any lump sum payments;
- per diem allowances and other special fees or allowances; or
- payments from any other benefit plan provided through insurance or that are not considered to be taxable wages paid by an employer, including insured short-term disability and long-term disability benefits, workers' compensation and state disability.

You may start, stop, or change the amount of your pre-tax, after-tax, or catch-up contributions to the Plan at any time. You can do so by logging on to Fidelity NetBenefits℠ online account services at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015) and speaking with a Participant Services Representative or using the automated voice response system.

Employee contributions may be directed to any one or more of the investment fund options available under the Plan (see "Investment Options" on page 57).

Contribution investment elections must be made in 1% increments to any fund or combination of funds and must equal 100% of your elected contribution amount. Changes to contribution amounts are subject to payroll deadlines, but are generally effective within 30 days of receipt of your elections.

Catch-Up Contribution

Participants who will be age 50 or older before the close of the plan year (December 31) are eligible to make catch-up contributions to the Plan in that plan year. If eligible, you may elect a catch-up contribution from 1% to 20% of your covered compensation on a pre-tax basis up to the maximum dollar amount allowed by law (which amount is periodically adjusted by the Treasury Department). The maximum catch-up contribution is $5,500 for 2013.

Catch-up contributions are in addition to your regular Plan contributions.

In order for the amounts you elect to be eligible as catch-up contributions, you must reach one of the following limits (see "Contribution Limits" on page 56):

- IRC annual pre-tax section 401(k) contribution limit ($17,500 for 2013); or
- IRS annual additions limit including your pre-tax, after-tax and employer contributions combined ($51,000 for 2013); or
- Plan contribution percentage limit of 20% of covered compensation.

If you do not reach one of these limits, your catch-up contributions will be considered regular plan contributions. Catch-up contributions are not eligible for matching employer contributions.

Your catch-up contributions will be treated as pre-tax contributions, but are not counted towards the IRC section 401(k) limit or annual additions limit.

Matching Employer Contribution

Matching employer contributions are made on behalf of eligible employees who contribute to the Plan and are a way in which your employer shares in providing retirement savings for you. Matching contributions are made each payroll period.

You become eligible for matching employer contributions when you have completed 12 months of service and you elect to make contributions to the Plan. The amount of matching employer contributions that you are eligible to receive is determined based on the type of pension you are earning under the Retirement Plan (see the "Final Pay" and the "Cash Balance" subheadings in the introduction to the *Retirement Benefits* section for more information.)

If you are earning a Final Pay Pension under the Retirement Plan, matching employer contributions will be made in the following percentages according to your years of service:

Length of Service	Matching Employer Contribution
1 to 3 years of service	60% of the employee's pre-tax and/or after-tax contributions that do not exceed 3% of the employee's covered compensation.
3 years of service or more	60% of the employee's pre-tax and/or after-tax contributions that do not exceed 6% of the employee's covered compensation

A "year of service" is the completion of 12 months of employment within PG&E. If you have terminated employment and are rehired, your past service may be considered when determining your years of service. If you had previously worked more than 12 months before your employment ended, or you are rehired within 12 months of your termination date, you will receive credit for your past service.

If you are earning a Cash Balance Pension under the Retirement Plan, you are eligible for a matching employer contribution of $0.75 per dollar on up to 8% of pay. If you are hired or rehired after December 31, 2012, you are eligible for this company matching contribution when you have completed one year of service. If you elect to move to the Cash Balance Pension during the one-time Pension Choice period in 2013, you are eligible for the company matching contribution of $0.75 per dollar on up to 8% of covered pay when you begin participation in the Cash Balance Pension as long as you have completed one year of service.

To receive the maximum matching employer contribution, you must contribute the maximum percentage of your pay that is eligible for the match each pay period. You must contribute at least 3% or 6% of your covered compensation (for Final Pay Pension participants depending on length of service or 8% of your covered compensation (for Cash Balance Pension participants) to receive the maximum employer match.

You are 100% vested at all times in matching employer contributions credited to your account.

Matching employer contributions are invested in the PG&E Corporation Stock Fund. You may, however, reallocate the employer match to the other investment options at any time after it has been credited to your account, subject to the prohibition against insider trading (see “PG&E Corporation Stock Fund Dividends” on page 64 for more information).

For more information about your investment options for matching employer contributions, (see “Investment Options” on page 57).

Rollover Contributions from Previous Employer Plans

As long as you are eligible to make contributions to the Plan, you may rollover (either directly or within 60 days upon receipt of the distribution) a taxable or non-taxable distribution from most qualified retirement plans offered by a previous employer — including plans from tax-exempt non-profit organizations (IRC section 403(b) plans) and state and local governments (IRC section 457plans) — or from an Individual Retirement Account (IRA). The Plan does not accept rollovers of Roth 401(k) contributions from another qualified retirement plan. The Plan reserves the right to refuse any rollover from a participant that would disqualify the Plan under the Internal Revenue Code (IRC).

You may invest rollover contributions in any of the investment options available under the Plan. Rollover contributions will be accounted for separately from any other contributions. Rollover contributions and earnings may be withdrawn at any time, but may be subject to tax penalties if withdrawn early and not re-deposited into a tax-qualified retirement plan.

Rollover contributions are not eligible for matching employer contributions.

Contribution Limits

Limit on Annual Pre-Tax Employee Contributions

Your pre-tax contribution amounts (other than catch-up contributions) are limited by rules contained in IRC section 402(g). For 2013, the annual limit for 401(k) plan pre-tax contributions is $17,500. This limit is adjusted periodically for inflation. Note that this limit applies to any pre-tax contributions you have made in the same calendar year, including any pre-tax contributions you made under a previous employer’s plan. You are responsible for ensuring that your total pre-tax contributions from the combined plans do not exceed the IRC section 402(g) limit.

If you reach the annual limit before the end of the year and want to continue to receive the matching employer contribution for the entire year, you should consider a provision under the Plan called the “spillover election.” This election automatically changes your pre-tax contributions to after-tax contributions when you reach the pre-tax limit. You may make the spillover election through Fidelity NetBenefits℠ online account service (www.401k.com) or by contacting Fidelity’s RSP Service Center at 877-PGE-401K (877-743-4015). If you make a spillover election, your original pre-tax contribution elections will resume automatically in January of the following year unless you specify otherwise.

Limit on Annual Plan Contributions

All employee pre-tax and after-tax contributions, excluding catch-up contributions, as well as all employer contributions, may not exceed the IRC annual additions limit, which is the lesser of:

(i) 100% of your compensation; or

(ii) a dollar amount specified under IRC section 415 ($51,000 for 2013) as adjusted periodically for inflation.

If you reach the IRC section 415 limit before the end of any calendar year, your contributions to the Plan (except for eligible employee catch-up contributions) will be stopped.

Other Contribution Limits

IRC section 401(a)(17) specifies a dollar limit for annual covered compensation on which contributions may be made, which is adjusted periodically for inflation. The earnings limit for 2013 is $255,000.

In addition, the average contribution percentages made by and on behalf of "highly compensated" employees may not exceed the average contribution made by and on behalf of "non-highly compensated" employees by more than the amounts set forth in IRC section 401(k). In general, employees earning more than $115,000 per year in 2013 are considered highly compensated. This amount is updated periodically.

Corrective Amounts for Excess Contributions

If the IRC section 402(g) or section 401(k) limits described above are exceeded, within the Plan, the Plan Administrator will notify you and will refund any excess contributions by April 15 of the year following the year in which the excess contributions were made. Any earnings or losses on refunds of participants' excess contributions will be allocated in accordance with IRS regulations. However, if you are eligible for catch-up contributions, any excess contributions will be re-characterized as catch-up contributions (to the extent allowed by law).

You are responsible for ensuring that your contributions to all employer plans in a single calendar year do not exceed applicable IRC limits. If your contributions to all employer plans do exceed the applicable IRC limits, you must contact the Plan Administrator to request a refund.

Investing

This section describes the different investment options available to you. Specific information for participants about their individual accounts is available online at Fidelity Investments' website, NetBenefits℠ online account services at www.401k.com, or by telephone from the Fidelity RSP Service Center at 877-PGE-401K (877-743-4015).

Investment and Advisory Services
Financial Engines is an unbiased, independent advisory firm which the Plan Administrator has selected to provide Plan participants with support and assistance in making investment decisions. For a description of the firm's services, see "Financial Engines" on page 72.

Investment Options

Plan participants have a number of investment options for building individual investment portfolios to achieve their retirement savings goals. You should keep in mind several factors when determining your individual investment strategy and deciding which investment funds meet your needs. Primarily, you should weigh your tolerance for risk against your personal savings goals and how long you have to reach them. You should also consider your overall financial picture, including any external personal investments. Regardless of which funds you choose, it is always your responsibility to ensure that your fund choices meet your investment objectives. It is also important to periodically review your investments, your objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals.

To help achieve long-term retirement security, you should also give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform well often cause another asset category, or another particular security, to perform poorly. The Department of Labor and the Internal Revenue Service advise that if you invest more than 20% of your retirement savings in any one company or industry, such as the PG&E Stock Fund, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

The Employee Retirement Income Security Act of 1974 (ERISA) imposes certain duties on the parties who are responsible for the operation of the Plan. These parties, called fiduciaries, have a duty to manage Plan assets in a prudent manner. However, an exception exists for plans which comply with section 404(c) of ERISA and permit a Participant or beneficiary to exercise control over the assets in his or her account and choose from a broad range of investment alternatives. This Plan is intended to be an ERISA section 404(c) plan. This means that you, not the Plan Administrator, the Company or any other employee, are responsible for investment decisions relating to the assets in your account under the Plan.

Investment information, including prospectuses, fund descriptions, and investment performance, can be found by logging on to Fidelity NetBenefits℠ online account services at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

Participants' investment options are structured in three tiers:

- Tier 1: Target Date Funds
- Tier 2: Core Funds
- Tier 3: Self-Directed Account

Tier 1: Target Date Funds

Tier 1 provides a suite of ten individual funds that each provides a broadly diversified portfolio consisting principally of U.S. and international common stock and marketable fixed income securities with an asset allocation that is suitable for a participant with a retirement date in the fund's specified target year. The asset allocation is established by the fund's investment manager and is incrementally adjusted to reflect an appropriate balance of opportunities for growth and stable income relative to the stated target retirement date. The RSP Retirement Income Fund is designed for investors who have reached their retirement date. The strategy is comprised mostly of bond funds to provide stability and income; it also includes an allocation to equities to provide diversification and some growth during retirement. You should be aware that the RSP Retirement Income Fund will still be exposed to fluctuations in the security markets.

Each Target Date Fund has its own Fact Sheet which describes the investment mix and strategy of each fund. These funds are based on well-established investing concepts related to diversification and risk. However, these funds do not guarantee a positive return or adequate funds throughout retirement. Be sure to review the applicable fund description before making your investment decision.

The Target Date Funds are the Plan's default investment option(s). If you do not provide instructions on how you want your contributions invested, they will be invested in the Target Date Fund with a target date closest to your 65th birthday. For participants over age 65, they will be invested in the RSP Retirement Income Fund.

PG&E provides oversight and monitoring of the Target Date Funds investment manager to ensure that the funds remain consistent with their stated objectives. Current information regarding fund performance and fees is available through Fidelity NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

Tier 2: Core Funds

The Core Funds include the following ten investment options:

- RSP Money Market Fund
- RSP Short Term Bond Index Fund
- RSP Bond Index Fund
- RSP U.S. Government Bond Index Fund
- RSP Large Company Stock Index Fund
- RSP Small Company Stock Index Fund
- RSP Total U.S. Stock Index Fund
- RSP International Stock Index Fund
- RSP World Stock Index Fund
- RSP Emerging Markets Enhanced Index Fund
- PG&E Corporation Stock Fund

PG&E provides oversight and monitoring of the Core Fund managers to ensure that the funds remain consistent with their stated objectives.

RSP Money Market Fund

The Fund seeks to offer safety of principal by investing in short-term government and non-government debt securities.

The Fund invests principally in the following instruments: U.S. Treasury bills, notes and bonds (which are direct obligations of the U.S. government).

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although the fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the fund.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

RSP Short Term Bond Index Fund

The Fund seeks to match the returns of the Barclays Capital U.S. 1–3 Year Government/Credit Bond Index.

The Fund is managed using a "passive" or "indexing" investment approach, by which the Fund's investment manager attempts to replicate, before expenses, the performance of the Barclays Capital U.S. 1–3 Year Government/Credit Bond Index (the "Index").

Since it is an index fund, the Fund invests in a well-diversified portfolio that is representative of the short-term domestic bond market.

The performance of the Fund depends primarily on the value of its bond holdings, changes in interest rates, and the credit quality and maturity of its investments. In general, bond prices tend to increase when interest rates decrease, and vice versa. This price fluctuation can produce decreases in principal value if interest rates rise; this effect is often most pronounced for longer maturity bonds. Therefore, the Fund's investment in high-quality bonds with a short-term maturity will generally produce steady income with reduced risk compared with funds that invest in longer maturity bonds.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

RSP Bond Index Fund

This Fund seeks to match the returns of the Barclays Capital Aggregate Bond Index, a benchmark representing the broad, intermediate maturity, investment-grade U.S. bond market.

The Fund invests primarily in government, corporate, mortgage-backed, and asset-backed fixed-income securities of intermediate maturity; all bonds are investment grade.

Since it is an index fund, the Fund invests in a well-diversified portfolio that is representative of the broad domestic bond market.

The performance of the Fund depends primarily on the value of its bond holdings, changes in interest rates, and the credit quality and maturity of its investments. In general, bond prices tend to increase when interest rates decrease, and vice versa. This price fluctuation can produce decreases in principal value if interest rates rise; this effect is often most pronounced for longer maturity bonds. Therefore, the Fund's investment in high-quality bonds with an intermediate-term maturity will generally produce steady income with reduced risk compared with funds that invest in longer maturity bonds.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

RSP U.S. Government Bond Index Fund

This Fund seeks to match the returns of the Barclays Capital US Government Bond Index, a benchmark representing investment-grade fixed income securities issued by the United States government or its agencies.

The Fund invests in a sample of bonds in the Barclays Capital US Government Bond Index in proportion to their weight in the index. All bonds are investment grade. Since it is an index fund, the Fund invests in a well-diversified portfolio that is representative of the U.S. government and agency intermediate maturity bond market.

The performance of the Fund depends primarily on the value of its bond holdings, changes in interest rates, and the credit quality and maturity of its investments. In general, bond prices tend to increase when interest rates decrease, and vice versa. This price fluctuation can produce decreases in principal value if interest rates rise; this effect is often most pronounced for longer maturity bonds. Therefore, the Fund's investment in high-quality bonds with an intermediate-term maturity will generally produce steady income with reduced risk compared with funds that invest in longer maturity bonds.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

RSP Large Company Stock Index Fund

This Fund seeks to match the performance of the Standard & Poor's 500® Index, a benchmark representing the large-capitalization U.S. stock market.

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® Index provides exposure to about 78% 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 assures a return similar to the benchmark, minimizes the need for trading, and results in lower expenses.

The performance of the Fund depends on the value of its holdings. Stock values may vary from day to day in response to the corporate performance of individual companies and general market and economic conditions. The Fund is diversified to minimize the impact of underperformance by a single company. In the short term, stock values may be volatile, but over the long term, they have the potential for higher returns than bond or short-term investments.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

RSP Small Company Stock Index Fund

This Fund seeks to match the performance of the Russell Small Cap Completeness Index, a benchmark representing the mid-and small-capitalization sectors of the U.S. stock market.

The Fund invests in all of the stocks in the Russell Small Cap Completeness Index in proportion to their weightings in the index. These stocks represent about 22% 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 assures a return similar to the benchmark, minimizes the need for trading, and results in lower expenses.

The performance of the Fund depends on the value of its holdings. Stock values may vary from day to day in response to the corporate performance of individual companies and general market and economic conditions. The Fund is diversified to minimize the impact of underperformance by a single company. In the short term, stock values may be volatile, but over the long term, they have the potential for higher returns than bond or short-term investments.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

RSP Total U.S. Stock Index Fund

This Fund seeks to match the performance of the Russell 3000 Index, a benchmark representing the 3000 largest U.S. companies.

The Fund invests in all of the stocks in the Russell 3000 Index in proportion to their weightings in the index. These stocks represent about 98 percent 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 3000 Index assures a return similar to the benchmark, minimizes the need for trading, and results in lower expenses.

The performance of the Fund depends on the value of its holdings. Stock values may vary from day to day in response to the corporate performance of individual companies and general market and economic conditions. The Fund is diversified to minimize the impact of underperformance by a single company. In the short term, stock values may be volatile, but over the long term, they have the potential for higher returns than bond or short-term investments.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

RSP International Stock Index Fund

This Fund seeks to match closely the performance of the Morgan Stanley Capital International World ex-US Index, a benchmark representing the large-capitalization sectors of developed stock markets outside of the United States.

The Fund typically invests in all the stocks in the MSCI World ex-US Index in proportion to their weightings in the index. The strategy of investing in the same stocks as the MSCI World ex-US Index assures a return similar to the benchmark, minimizes the need for trading, and results in lower expenses.

The performance of the Fund depends on the value of its holdings. Stock values may vary from day to day in response to the corporate performance of individual companies and general market and economic conditions. The Fund is diversified to minimize the impact of underperformance by a single company. In the short term, stock values may be volatile, but over the long term, they have the potential for higher returns than bond or short-term investments. Investment in the Fund is made in U.S. dollars; therefore, the Fund is also exposed to fluctuations in foreign currencies.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

You are not allowed to make more than one exchange into or out of the RSP International Stock Index Fund in any 30-day period.

RSP World Stock Index Fund

This Fund seeks to match closely the performance of the Morgan Stanley Capital International World All Country World (MSCI ACWI) Index, a benchmark representing global developed and emerging markets.

The Fund typically invests in a sample of the stocks in the MSCI ACWI Index in proportion to their weightings in the index. The strategy of investing in a sample of the same stocks as the MSCI ACWI Index assures a return similar to the benchmark, minimizes the need for trading, and results in lower expenses.

The performance of the Fund depends on the value of its holdings. Stock values may vary from day to day in response to the corporate performance of individual companies and general market and economic conditions. The Fund is diversified to minimize the impact of underperformance by a single company. In the short term, stock values may be volatile, but over the long term, they have the potential for higher returns than bond or short-term investments. Investment in the Fund is made in U.S. dollars; therefore, the Fund is also exposed to fluctuations in foreign currencies.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

You are not allowed to make more than one exchange into or out of the RSP World Stock Index Fund in any 30-day period.

RSP Emerging Markets Enhanced Index Fund

This Fund seeks to outperform the performance of the Morgan Stanley Capital International Emerging Markets Index, a benchmark representing global emerging markets.

The Fund typically invests in foreign common stocks expected to offer the greatest value in countries determined to be the most attractive based on the investment manager's investment process.

The performance of the Fund depends on the value of its holdings. Stock values may vary from day to day in response to the corporate performance of individual companies and general market and economic conditions. The Fund is diversified to minimize the impact of underperformance by a single company. In the short term, stock values may be volatile, but over the long term, they have the potential for higher returns than bond or short-term investments. Investment in the Fund is made in U.S. dollars; therefore, the Fund is also exposed to fluctuations in foreign currencies.

Be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

You are not allowed to make more than one exchange into or out of the RSP Emerging Markets Enhanced Index Fund in any 30-day period.

PG&E Corporation Stock Fund

This Fund is designed to provide you with an opportunity to own part of PG&E Corporation and to share in the investment performance of PG&E Corporation common stock. PG&E Corporation common stock is listed on the

New York Stock Exchange (NYSE) under the symbol "PCG." All matching employer contributions are initially invested in this Fund.

The PG&E Corporation Stock Fund is invested primarily in PG&E Corporation common stock, with a small amount of short-term investments that is held to provide the liquidity needed to accommodate your buy and sell orders on a daily basis.

Under the accounting method used for the Fund, each participant owns units of the Fund rather than shares of stock. Each unit represents an interest in the Fund's PG&E Corporation common stock and a small amount of the Fund's short-term investments.

Each day, the value of each unit is adjusted to reflect each participant's interest in the change in the price of PG&E Corporation common stock, any dividend activity, and interest earned on the short-term investments held by the PG&E Corporation Stock Fund. Dividends are used to either purchase additional units for participants or pay participants in cash (see "PG&E Corporation Stock Fund Dividends" on page 64).

The Fund is not diversified and effectively invests in a single security. As a result, the Fund's returns will be driven principally by the performance of PG&E Corporation common stock.

PG&E has filed a registration statement with the Securities and Exchange Commission covering the offer and sale of PG&E Corporation common stock under the Plan. In addition to reading this summary plan description, you should read the description of the Fund that is contained in a separate prospectus that is provided along with this summary plan description before investing in the PG&E Corporation Stock Fund. This prospectus is attached at the end of this Summary of Benefits Handbook. Also, be sure to review the fund description for more information including the Fund's investment manager, applicable fees and investment return experience before making your investment decision. The fund description can be found on NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

Tier 3: Self-Directed Account (Fidelity BrokerageLink)

Tier 3 is a self-directed brokerage account that provides investment choices beyond the funds in Tiers 1 and 2 of the Plan. Through the Self-Directed Account, you can invest in mutual funds available in Fidelity FundsNetwork through the use of Fidelity BrokerageLink.

If you wish to invest in funds that are available through the Self-Directed Account, you must open a BrokerageLink account directly with Fidelity Brokerage Services LLC (or FBSLLC). The terms of the brokerage account, including fees, are established in written agreements between FBSLLC and participants. FBSLLC establishes the terms and provisions applicable to Fidelity BrokerageLink holdings and transactions.

FBSLLC retains full control over the mutual funds made available through Fidelity's FundsNetwork. Mutual funds may be added or closed at the sole discretion of FBSLLC. Neither the Plan Administrator nor the Corporation selects or monitors the offering of specific mutual funds through BrokerageLink or the terms and provisions applicable to Fidelity BrokerageLink holdings and transactions. Therefore, participants choosing to enroll in BrokerageLink are fully responsible for their investment decisions, including all appropriate research regarding the suitability of investing in any such funds.

You cannot use the Self-Directed Account to invest in PG&E Corporation common stock or in any of the Plan's other Tier 1 or Tier 2 funds. Participant account balances invested in a Self-Directed Account must be exchanged into one or more of the Plan's Tier 1 or Tier 2 funds before such amounts are available for a participant loan, withdrawal or distribution.

For additional discussion of the Self-Directed Account and BrokerageLink, please refer to the BrokerageLink Fact Sheet available under the Plan Information and Documents section, and the BrokerageLink Brochure and materials available under the BrokerageLink section of NetBenefits℠ at www.401k.com, Or, you may contact Fidelity's RSP Service Center at 877-PGE-401k (877-743-4015) and ask to be transferred to a BrokerageLink representative.

PG&E Corporation Stock Fund Dividends

The Plan contains an Employee Stock Ownership Plan (ESOP). Under the ESOP, participants who hold an investment in the PG&E Corporation Stock Fund on the record date for the payment of a dividend on PG&E Corporation common stock may elect to:

- Reinvest the dividends in additional units of the PG&E Corporation Stock Fund,
- Receive the dividends in cash, or
- Choose a combination of both.

Unless you instruct Fidelity to pay the dividends in cash, dividends will be reinvested in additional units of the PG&E Corporation Stock Fund. Once made, this election remains in effect until changed. You may change your dividend election each quarter. Dividends are payable only with respect to an investment in the PG&E Corporation Stock Fund made at least 3 business days before the dividend record date.

Dividend Election

If you who would like to have all of your dividends reinvested, you do not need to do anything. Dividends that are reinvested in additional units of the PG&E Corporation Stock Fund are not taxed until withdrawn.

Dividend Pass Through

If you would like to receive all or a portion of your dividends in cash, you must notify Fidelity Investments at least 10 business days before dividends are paid, excluding NYSE holidays. You may specify the portion of dividends to be paid in cash in 1% increments. To make a dividend election, you are required to call Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015). Each dividend payment is subject to federal and state income taxes in the year in which it is paid; however, no federal or state penalty taxes on early distributions from defined contribution plans will apply.

Voting Rights

If you participate in the PG&E Corporation Stock Fund, you will have the right to vote the proportionate shares of PG&E Corporation common stock held in the Fund that are credited to your account in the Plan as of the proxy record date. The Trustee will send participants the proxy solicitation material issued by the Corporation and a form requesting confidential instructions on how to vote each participant's shares. If you do not direct how to vote your shares, the Trustee will not make any votes with respect to the stock credited to your account.

Monitoring and Making Changes to Your Investments

Because your investment objectives and financial needs change over time, it is important that you have the flexibility and tools to review your account activity and modify your investment periodically.

Fund Transfers and Exchanges

You may log onto NetBenefits℠ at www.401k.com or contact Fidelity's RSP Service Center by calling 877-PGE-401K (877-743-4015) to transfer (exchange) money you have accumulated in the Plan among the various Tier 1 and Tier 2 investment fund options offered through the Plan, as well as into the Self-Directed Account (if you have previously established a Fidelity BrokerageLink account). Prior to initiating an exchange, it is recommended that you carefully review the relevant investment fund descriptions to understand the investment fund characteristics and any restrictions on the frequency of exchanges.

Although matching employer contributions are automatically invested in the PG&E Corporation Stock Fund, you may reallocate matching employer contributions and accumulated earnings thereon to another investment fund or funds at any time once they have been credited to your account, subject to the prohibition against insider trading (see "PG&E Corporation Stock Fund Exchanges" below for more information).

You are not allowed to make more than one exchange into or out of the funds listed below within the specified restriction period:

Fund	Restriction Period
RSP Emerging Markets Enhanced Index Fund	30 day restriction
RSP International Stock Index Fund	30 day restriction
RSP World Stock Index Fund	30 day restriction

Exchanges among the investment funds may be made on a daily basis, in increments of at least 1% of the value of the source investment fund. Exchanges completed before 4 p.m. Eastern time are effective and valued at the close of the NYSE that day. Exchanges completed after the close of the NYSE, normally 4 p.m. Eastern time, or on non-business days, will receive the next available closing price. The amount you are transferring will be credited to your new investment fund choice at the unit (or share value) closing price.

Fund Transfers and Exchanges Involving Self-Directed Account Investments

You cannot make direct exchanges of fund balances invested in any of the funds offered in Tiers 1 and 2 of the Plan to mutual funds available through the Self-Directed Account. Fund balances exchanged from any of the Tier 1 or Tier 2 Core Funds to the Self-Directed Account are deposited as cash into a cash reserve account in the Self-Directed Account. These cash reserve assets can then be used, at your direction, to purchase mutual funds available through the Self-Directed Account. Any fees associated with such transactions are paid from the cash reserve account. Participants wishing to reinvest assets held in the Self-Directed Account into the RSP Tier 1 and Tier 2 Core Funds can only make direct exchanges from a Self-Directed Account cash reserve account to the RSP Money Market Fund. Once such assets are exchanged into the RSP Money Market Fund, they can be exchanged into the other funds available under Tiers 1 and Tier 2, subject to the restrictions discussed above.

Most exchanges between Tier 1 and Tier 2 Core Funds and mutual funds within the Self-Directed Account require a three (3) business day settlement period. You must speak to a BrokerageLink representative to exchange from you must first liquidate mutual fund holdings within BrokerageLink, which settle to the Self-Directed Account cash reserves. You must call Fidelity back after each settlement to transfer funds from the Self-Directed Account cash reserve account back to the RSP Money Market Fund. Any trade-related expenses (commissions or other fees) and realized loss or gain will be borne by your Self-Directed Account.

Fidelity will liquidate and transfer assets out of the Self-Directed Account to the extent necessary to correct certain problems, including, for example, assets that have been deposited in the Self-Directed Account via an unauthorized channel. An "unauthorized channel" means in any manner other than through a payroll deduction or the exchange of one Plan investment for another. In the event of a correction, Fidelity will look to the Self-Directed Account's cash reserve account first. If that account does not contain sufficient assets, Fidelity will place sell trade orders with respect to your Self-Directed Account investments. Securities will be sold (liquidated) on a last in-first out basis, and be limited to the number of shares necessary to correct the problem.

Fidelity will transfer assets into the Self-Directed Account to the extent necessary to correct certain problems, including, for example, a negative balance in the Self-Directed Account's cash reserve account due to an unsecured debit or overdraft, or assets that have been withdrawn from the Self-Directed Account via an unauthorized channel. An "unauthorized channel" means in any manner other than through the Plan's recordkeeping system. In the event of an unauthorized channel withdrawal, Fidelity will contact you and request that the withdrawn assets be returned to Fidelity. Upon return, those assets will be re-deposited into the Self-Directed Account's cash reserve account. In the event of an unsecured debit or overdraft, Fidelity will look first to your investments in Tiers 1 and 2. If Tiers 1 and 2 do not contain sufficient assets, Fidelity will place sell trade orders with respect to your Self-Directed Account investments.

Securities will be sold (liquidated) on a last in-first out basis, and be limited to the number of shares necessary to correct the problem.

There may be restrictions or trading fees on some funds in the Self-Directed Account. You will need to contact Fidelity's RSP Service Center by calling 877-PGE-401K (877-743-4015) for more information on restrictions.

With respect to exchanges into the Self-Directed Account, if a request is confirmed before the close of the market (generally 4 p.m. Eastern time on non-holiday weekdays), 100% of the exchanged amount will be available for trading on the next business day. However, if the exchange is initiated through a BrokerageLink representative (i.e., not through NetBenefits℠), 90% of the assets will be immediately available to trade through a BrokerageLink representative.

PG&E Corporation Stock Fund Exchanges

Trades into or out of the PG&E Corporation Stock Fund are permitted. However, if your are aware of "inside" information (i.e., information that would be important to an investor, but which has not yet been made public), you are prohibited by federal securities laws and PG&E Corporation policy from trading in the PG&E Corporation Stock Fund until the information has been publicly disseminated.

Executive officers of PG&E Corporation and members of the Board of Directors of PG&E Corporation are subject to additional restrictions with respect to transactions involving the PG&E Corporation Stock Fund in order to ensure compliance with section 16 of the Securities Exchange Act of 1934.

Fidelity will process requests to sell PG&E Corporation Stock Fund units for exchanges, withdrawals, distributions, and loans provided that there are enough short-term investments in the Fund for liquidity. In the unusual event that there are not enough short-term investments for liquidity, requests to sell units will be suspended. As long as the PG&E Corporation Stock Fund remains open and participants have not cancelled the transaction, their requests to sell units will be processed, generally on a first-in-first-out basis, as liquidity is restored in the Fund. Loans and withdrawals will be given priority over exchanges. If a transaction involves a suspended sale of PG&E Corporation Stock Fund units, the entire transaction will be suspended, including the corresponding purchase transaction. Participants will receive the net asset value on the processing date.

Participants who have requested transactions requiring the sale of PG&E Corporation Stock Fund units will need to check their account the following business day to determine whether their request has been processed.

Accessing Your Account

This section describes the rules and process of accessing the funds in your account. Specific information for participants about their individual accounts is available online at Fidelity Investments' website, NetBenefits℠, at www.401k.com, or by telephone from the Fidelity RSP Service Center at 877-PGE-401K (877-743-4015).

Loans

The Plan has a loan feature that gives you access to your money before retirement by letting you borrow from your account at a reasonable rate of interest. You can borrow your money without incurring any immediate income tax liability or early distribution penalties.

As long as you are employed by a participating employer within the PG&E Corporation, you are eligible to borrow your money in the Plan. Loans are funded by reducing your Plan balance by the amount you borrow and are secured by a promissory note between you and the Plan Administrator. Repayments, plus interest, are credited back to your account; in essence, you are borrowing the money from yourself.

Please note that if you have any investments in the Self-Directed Account, those investments must be exchanged into one or more of the Plan's Tier 1 or Tier 2 funds before such amounts are available for a loan or loans.

Loan Terms and Borrowing Limits

Loans with a term of five years or less can be used for any reason. Longer-term loans with repayment periods extending up to 15 years may be taken to purchase a principal residence. Interest on long-term loans is not deductible for income tax purposes; therefore, a conventional home mortgage loan may be more advantageous for participants seeking financing for a principal residence.

There are limits to how much you can borrow and how often. You may have only three loans outstanding at any time, and the maximum amount of principal that can be borrowed or outstanding of all of your loans may not exceed the lesser of $50,000 or 50% of the value of your Plan balance invested in Tier 1 and Tier 2 funds, minus the highest outstanding loan balance in the previous 12 months. The minimum loan amount is $1,000. A loan may not be refinanced during the loan term.

A loan may be funded from several types of contributions (pre-tax, matching employer, after-tax, etc.) depending on your contribution elections. The proceeds to fund a loan from your Plan balance will be deducted from the various types of contributions invested in Tier 1 and Tier 2 funds in the following sequence:

1. Accumulations attributable to any after-tax contributions
2. Accumulations attributable to any rollover contributions
3. Accumulations attributable to matching employer contributions
4. Accumulations attributable to any pre-tax contributions
5. Accumulations attributable to catch-up contributions
6. Accumulations attributable to basic employer contributions

Interest Rates

Interest rates for all loans equal the prime rate plus 1%, as determined by the Plan's Trustee, Fidelity Management Trust Company, for the month in which the loan is requested. The rate is set when you apply for a loan and remains fixed throughout the duration of the loan.

Fees

There are fees associated with loans. See "Fees and Expenses" on page 78 for more information.

However, for Participants performing uniformed military service (as defined under federal law), the interest rate will not be higher than 6 percent, compounded annually to the extent required by federal law.

Electronic Funds Transfer Service

When you request a loan or withdrawal from your account through Fidelity NetBenefits℠ or the RSP Service Center, you can have the proceeds transferred electronically to your bank account instead of waiting for a check. You can also set up or change your bank account information online or through a Participant Services Representative.

If you will be requesting a loan or withdrawal in the future and would like to take advantage of Electronic Funds Transfer (EFT), you will need to have the service established in advance. The set-up process, known as "pre-note," can be initiated online through NetBenefits℠ online account services (www.401k.com) or by calling 877-PGE-401K (877-743-4015) and speaking with a Participant Services Representative, Monday through Friday, 5 a.m. to 9 p.m. Pacific time, and generally requires seven days to complete. To set up EFT, you'll need to have the following information available:

- Social Security Number
- Personal Identification Number
- Name of Bank Name on Bank Account
- Bank Account Number
- Bank Routing Number

Repayment

Generally, you repay a loan through automatic after-tax payroll deductions. If your current payroll contributions are being invested in Tier 1 and/or Tier 2 funds, loan repayments will be credited back to your account according to your current investment election. If all or any part of your current payroll contributions are being invested in the Self-Directed Account, the portion of your loan repayments relating to such contributions will be credited to the

Self-Directed Account's cash reserve account. Depending on the type of contributions that were deducted to fund your loan, your loan repayments will be credited in the following sequence:

1. Repayments of accumulations attributable to catch-up contributions
2. Repayments of accumulations attributable to pre-tax contributions
3. Repayments of accumulations attributable to matching employer contributions
4. Repayments of accumulations attributable to rollover contributions
5. Repayments of accumulations attributable to after-tax contributions

The maximum repayment term is five years—or up to 15 years if you are using the loan proceeds to purchase a principal residence.

Cash repayments paid in level installments to Fidelity are required if:

- Your net pay is insufficient to cover a payroll deduction for the full amount from your paycheck;
- You are granted an unpaid leave of absence; or
- You terminate employment with PG&E.

You may also make partial or full cash repayment before the completion of the loan term—without prepayment penalties. Following any partial prepayment, the loan can be re-amortized at your direction to provide for continued level installments for the original loan term.

If you terminate employment with Company, you must make direct payments or elect the EFT service to repay any outstanding loan balance to Fidelity Investments. The Plan Administrator reserves the right to call any participant's loan upon a participant's termination of employment with PG&E or upon termination of the Plan.

Loan Repayment Suspensions

For participants on a leave of absence from the Company, loan repayments may be suspended for the lesser of (i) the leave of absence or (ii) 12 months. The participant must notify the Benefits department when a leave of absence is approved. The participant is responsible to begin payments in the 13th month if the leave extends beyond 12 months. Failure to begin repayments in the 13th month will result in a default notification. If a loan remains in default for more than 30 days after notification, the unpaid principal will be treated as a taxable distribution subject to federal and state income tax and applicable penalty taxes.

If, upon resumption of payments, the suspension period, when added to the original loan repayment period, exceeds the permissible loan repayment limits of five or 15 years, the loan can be re-amortized, at the direction of the participant, to conform to these limits. If the loan is not re-amortized, and would otherwise go beyond the original loan repayment period, the participant will owe the balance in full at the end of the original repayment period.

Suspension of repayment is also allowed during a period when you are performing uniformed military service. Contact Fidelity's RSP Service Center by calling 877-PGE-401K (877-743-4015) for more information.

Loan Defaults and Distributions

A loan is treated as a default whenever a loan payment is not made within 60 days of the date it is due. A participant who is late on a loan payment will have 30 days from the date the Plan Administrator provides written notice of the default to cure the default before it becomes final.

If the past due amounts are not paid within the 30-day grace period, any outstanding principal will be treated as a taxable distribution from the Plan. It may also be subject to early distribution penalties.

Deemed Distribution of Plan Loans

A loan is considered a deemed distribution when the loan is in default and the participant is not otherwise eligible to receive a distribution of the loan from the Plan. For purposes of a new loan, the loan that was deemed to be distributed will still be treated as outstanding for as long as the participant remains employed by a participating employer within PG&E. This means that both the number of outstanding loans allowed and the allowable total outstanding balance for all loans will be reduced by the number and value of any loan(s) that have been deemed to be distributed. When a participant has a deemed distribution of a loan, the outstanding principal and accrued interest is reported to the participant and the IRS on a Form 1099-R.

Plan Loans When Your Plan Balance is Distributed

If you terminate employment and request a distribution of your Plan balance, your outstanding loan balance will be considered a part of this distribution. In other words, the value of your outstanding loan will be reported as a taxable distribution from the Plan.

Funding Process and Recordkeeping

You may apply for a loan by logging on to Fidelity NetBenefits℠ online account services at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015). Fidelity will send you the loan application paperwork and process the loan upon receipt of your properly completed application form. Spousal consent is required on the loan application if you are married. The check for the loan proceeds and a Truth-In-Lending Agreement will be issued within three to five business days. Your signature endorsement on the check constitutes your agreement to the terms of the loan. A separate loan account will be established and maintained for each loan, and unpaid loan principal and accrued but unpaid interest on the loan will be reflected for accounting purposes in your loan account.

In-Service Withdrawals

In accordance with Internal Revenue Code (IRC) provisions that govern qualified retirement plans, withdrawals and distributions from the Plan are permitted only as provided below. If you are married, spousal consent is required for any withdrawals, including hardship withdrawals from contribution sources that are subject to special restrictions (see the "Hardship Withdrawals" subsection under "In-Service Withdrawals" on page 69 for more information). All withdrawals are subject to federal and state income tax and possibly tax penalties for early distribution (see "Taxes and Penalties" on page 74). Additionally, there are fees associated with in-service withdrawals (see "Fees and Expenses" on page 78 for more information).

Withdrawals from the investment funds, except the PG&E Corporation Stock Fund, must be taken in cash unless you elect a direct rollover. A direct rollover is not allowed for hardship withdrawals.

Please note that if you have any investments in the Self-Directed Account, those investments must be exchanged into one or more of the Plan's Tier 1 or Tier 2 funds before such amounts are available for a withdrawal or distribution. However, if there are insufficient assets in Tiers 1 and 2 to make any legally required or other necessary distributions (for example, Minimum Required Distributions discussed below), Fidelity will liquidate investments in your Self-Directed Account and use the assets to make the required distribution.

Source and Sequence of Withdrawals

It is important to realize that when you request a withdrawal, you are requesting that investment units (which are the measure of your interest in the investment funds) be withdrawn and converted to cash to pay for the withdrawal. The source of your withdrawal and the sequence in which it is paid determines the extent to which it is taxable. The Plan Administrator will use the following sequence when making distributions from your account:

1. after-tax contributions made before 1987, plus earnings
2. after-tax contributions made after 1986, plus earnings
3. rollover contributions and earnings
4. matching employer contributions and earnings that have held in the Plan for at least two years, subject to certain exceptions as discussed below
5. eligible pre-tax contributions and earnings
6. eligible catch-up contributions and earnings

After-tax Contributions

There are no restrictions on withdrawals of after-tax contributions and earnings. You may withdraw your after-tax contributions to the Plan and any earnings thereon at any time. Note that earnings withdrawn are taxable, and also may be subject to early distribution penalty taxes.

Rollover Contributions

You may withdraw money you rolled over to the Plan from another qualified retirement plan from a previous employer, plus earnings, at any time. Any taxable amount of your withdrawal is subject to ordinary income tax and may be subject to early distribution penalty taxes.

Matching Employer Contributions

You may withdraw matching employer contributions (plus earnings) that have been in this Plan for at least two full years. For example, if you want to withdraw income attributable to matching employer contributions made at any time in 2013, you must wait until 2016 or anytime thereafter. Exceptions to the two-year waiting period are granted if you:

- become permanently disabled;
- have attained age 59½;
- are a military reservist ordered or called to active duty for a period in excess of 179 days (or for an indefinite period) after September 11, 2001 and before December 31, 2007; or
- have requested and are entitled to receive a hardship withdrawal (see the "Hardship Withdrawals" subsection under "In-Service Withdrawals" on page 69 for more information).

Pre-tax Contributions (Including Catch-Up Contributions)

Withdrawals of your pre-tax contributions to the Plan and any associated earnings are generally restricted while you are employed within PG&E Corporation.

If you are currently employed within PG&E Corporation, you may only withdraw pre-tax contributions and earnings if you:

- become permanently disabled;
- have attained age 59½; or
- are a military reservist ordered or called to active duty for a period in excess of 179 days (or for an indefinite period) after September 11, 2001 and before December 31, 2007; or
- if you are on active military duty for more than 30 days.

If you take a withdrawal of pre-tax contributions and/or earnings, you are automatically suspended from Plan participation and may not resume making contributions to the Plan for six months following the date the distribution was made (see "Suspensions" below for more information).

Pre-tax contributions, plus any earnings accrued before January 1, 1989, are also available for hardship withdrawals, as described below.

Hardship Withdrawals

You may take a hardship withdrawal only on account of an immediate and heavy financial need. To be eligible for a hardship withdrawal, you must have exhausted all other financial resources—insurance proceeds, liquidation of your other financial assets, cessation of your contributions to the Plan, distribution of dividends from shares hold in the PG&E Corporation Stock Fund, other Plan withdrawals and/or loans, and loans from commercial financial intermediaries. You will also have to provide satisfactory proof of valid hardship to the Plan Administrator.

The following reasons will be considered to be valid hardships:

- to cover unreimbursed medical expenses for the participant, spouse, or dependents (as defined in IRC section 152, without regard to section 152(b)(1), (b)(2) and (d)(1)(B)) or primary beneficiary determined without regard to whether the expenses exceed 7.5% of adjusted gross income;
- the purchase of the participant's principal residence (excluding mortgage payments);
- tuition payments and/or room and board for the next twelve months of post-secondary education for the participant, spouse, dependents, (as defined in IRC section 152) or primary beneficiary;
- payments necessary to prevent foreclosure on the mortgage of, or eviction from, the participant's principal residence;
- to pay expenses for the repair or damage to the participant's or beneficiary's principal residence that would qualify for the casualty deduction under IRC section 165 (determined without regard to whether the loss exceeds 10% of adjusted gross income);
- unreimbursed expenses for the funeral of a participant's parent, spouse, dependent (as defined in IRC section 152) or primary beneficiary; or
- taxes or unreimbursed expenses directly related to the participant's bankruptcy.

Amounts available for hardship withdrawals will follow the withdrawal order described under the "Source and Sequence of Withdrawals" heading, above, including your employer contributions and earnings not otherwise available to be distributed, and your pre-tax contributions, including any catch-up contributions plus earnings accrued on your pre-tax contributions before January 1, 1989. Participants requesting a hardship withdrawal may not request an amount that exceeds the amount actually required to satisfy the immediate financial need. The Plan Administrator will automatically withhold 10% for federal taxes from a hardship withdrawal, unless the participant specifies different withholding. Hardship withdrawals may also be subject to early distribution penalties.

Suspensions

If you withdraw your pre-tax contributions while still employed by PG&E or any company within PG&E Corporation or take a hardship withdrawal, you are automatically suspended from Plan participation and may not resume making contributions to the Plan for six months following the date the distribution was made. After the six-month period has expired, you must elect to resume contributions; contributions do not resume automatically unless you are subject to automatic enrollment. If you are subject to automatic enrollment, you will be automatically enrolled as described in "Automatic Enrollment in the Plan" as of the next plan year following the end of your suspension.

Withdrawal Options When You Leave PG&E

When your employment with all employers within PG&E ends, the full value of your account is payable to you. Depending on your account balance, you may elect to leave your money in your account until a later date, or to take a full or partial distribution of your account balance.

A distribution package will be mailed to your home after a 30-day waiting period. The package contains information should you want to withdraw all or a part of your account balance. You may elect to have your distribution transferred to an IRA or other tax-qualified plan, or you may elect to have it paid to you.

If your account balance is $1,000 or less when you retire or leave the employment of the Company, you will receive a letter and a distribution form. You must take a lump-sum distribution of your account balance. If the Plan Administrator does not receive your election form within 60 days from the date on which the materials are mailed to you, your distribution will be sent to you in cash subject to mandatory 20% federal income tax withholding (see "Taxes and Penalties" on page 74).

If your account balance is greater than $1,000 but not greater than $5,000 when you retire or leave the employment of the Company, you will receive a letter and a distribution form. You must take a lump-sum distribution of your account balance. If the Plan Administrator does not receive your election form within 60 days from the date on which the materials are mailed to you, your distribution will be automatically rolled over to a

Fidelity IRA in your name and invested in the Fidelity Cash Reserve Fund, which is an investment designed to preserve capital and provide a reasonable rate of return and liquidity.

If your account balance is greater than $5,000 when you retire or leave the employment of the Company, your account may remain in the Plan until you request a lump-sum or partial distribution of your account balance. Although your money can remain in the Plan, you may not make additional contributions or borrow money from your account. However, as long as you maintain a balance greater than $5,000, you may still make transfers among the investment funds or request partial withdrawals or a distribution from your account. Your account will continue to share in any investment gains or losses for the funds in which you are invested (see “Monitoring and Making Changes to Your Investments” on page 64). If you leave employment before retirement age (age 55) and you keep your account in the Plan, you will be charged a recordkeeping fee (see “Fees and Expenses” on page 78 for more information. The fee for 2013 is $53 per year, and is charged to your account quarterly. If you retire and keep your account in the Plan, PG&E will continue to pay the recordkeeping fee on your behalf.

If your account balance is greater than $5,000 when you retire or your employment ends, you may also choose to have distributions paid in equal monthly, quarterly, or annual installments. Payments can begin immediately or at a later date that is specified by you. Payments can be deposited directly into your bank account.

Distributions After Your Employment Has Ended

If you are retired or have terminated your employment with PG&E and have left your account balance in the Plan, you must take a minimum distribution from the Plan by April 1 of the calendar year following the year in which you reach age 70½, or, if later, the year you retire after reaching age 70½. Once minimum distributions have started, you must receive a minimum distribution annually. There is a fee imposed each year that a participant receives a minimum required distribution (see “Fees and Expenses” on page 78 for more information).

Minimum required distributions will be made from your investments in Tiers 1 and 2 of the Plan. However, if there are insufficient assets in Tiers 1 and 2 to make any required distributions and you do not liquidate sufficient funds upon notification of the requirement to do so, Fidelity will liquidate investments in your Self-Directed Account and use the assets to make the required distribution. In such a case, Fidelity will look to the Self-Directed Account’s cash reserve account first. If that account does not contain sufficient assets, Fidelity will place sell trade orders with respect to your Self-Directed Account investments. Securities will be sold (liquidated) on a last in-first out basis, and be limited to the number of shares necessary to make the required distribution.

The Plan Administrator will notify you if you are subject to required minimum distributions. The Plan Administrator can perform a default calculation (based on Single Life Expectancy) to determine the amount that will satisfy your minimum required distribution. Alternatively, you may make a one-time election to direct the Plan Administrator to use other assumptions (such as Joint Life Expectancy) in the calculation of your required distribution.

Note that minimum required distributions paid from the Plan satisfy the requirements for this Plan only. If you have money invested in other employer-sponsored pension plans or IRAs, minimum required distribution for those plans or retirement accounts must be satisfied independently of the requirements for this Plan.

Investment and Advisory Services

The Plan offers a range of investment and advisory services to help you become a more informed investor and provide access to expert financial guidance.

These services are provided for informational and educational purposes only. Keep in mind that investing involves risk. The value of your investment will fluctuate over time and you may gain or lose money. Always consider carefully the investment objectives, risk, charges, and expenses of any investment option before investing.

Financial Engines

Financial Engines is an unbiased, independent advisory firm which the Plan Administrator has selected to provide Plan participants with support and assistance in making investment decisions. Financial Engines provides two basic types of assistance.

On-Line Advice

Financial Engines' On-Line Advice service is an internet-based interactive service that can help you:

- Build an investment strategy;
- Get advice on which investments to select in Tiers 1 and 2 of the Plan; and
- Monitor your account over time. There is no cost to you for using On-Line Advice since PG&E pays the full cost of this service.

You can access On-Line Advice through Fidelity NetBenefits℠ at www.401k.com by selecting the Financial Engines link.

Professional Management

You have the option to enroll in Financial Engines' Professional Management. If you enroll in Professional Management, you are retaining Financial Engines as your own investment advisor. There are fees associated with this service (see "Fees and Expenses" on page 78 for more information).

As your investment advisor, Financial Engines will:

- Create a retirement savings strategy for your Plan investments;
- Professionally manage your account for you, including directing Fidelity to carry out investment transactions on your behalf; and
- Provide you with quarterly progress reports.

Fees for Professional Management will be deducted quarterly from your Plan account based on the assets in your account that are under professional management. Please read about applicable fees at www.financialengines.com/forpge.

The specific terms of your relationship with Financial Engines are set forth in the customer agreement that you enter into directly with Financial Engines. If you enroll in Professional Management, you may terminate at any time by contacting Financial Engines.

Professional Management Income+

If you're enrolled in Professional Management, you can take advantage of Fidelity's Income+ service if you're age 60 or within five years from retirement.

- Help with preservation. Get help with managing your account with a goal of balancing growth with safety. Fidelity will provide you with an updated Retirement Plan that shows the adjusted investment strategy for your PG&E account.
- Help with planning. Speak to a Professional Management Income+ Investment Advisor Representatives for a Retirement Checkup. Review when you might be able to retire, what sources of income you'll have in retirement, and how much you may be able to spend.
- Help with payouts. At your request, the service can also provide monthly payouts from your PG&E Corporation Retirement Savings Plan account that can last throughout your retirement.

If you enroll in Professional Management, Financial Engines has responsibility as a fiduciary to you for the advice and management it provides. Neither the Plan Administrator nor the Corporation is responsible for the results or advice provided by Financial Engines. During the time that you are enrolled in Professional Management, Financial Engines will make all investment decisions with respect to your account. You will not have the ability to make or implement investment decisions directly until you terminate your relationship with Financial Engines. Financial Engines will only manage investments in Tiers 1 and 2 of the Plan. If you have investments in the Self-Directed Account (Tier 3) at the time you enroll in Professional Management, you may maintain your balance in the Self-Directed Account, but you will be responsible for the investment of these assets. During the time you are enrolled in Professional Management, you will not be permitted to make additional payroll contributions into any mutual funds available through the Self-Directed Account.

For more information about retaining Financial Engines as your investment advisor, including fees for the Professional Management service, please contact Fidelity's RSP Service Center by calling 877-PGE-401K (877-743-4015), or visit www.financialengines.com/forpge.

Fidelity Education and Modeling Tools

Fidelity offers a number of education and modeling tools to help you manage your account. You can access:

- Planning tools to help determine if you are on track to meet your retirement and savings goals;
- Articles on timely savings and retirement topics;
- Calculators to help with financial questions, such as the impact of transactions, such as loans and withdrawals.

Learn more about these resources by logging on to Fidelity NetBenefits℠ online account services at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

Taxes and Penalties

The taxable portion of Plan withdrawals and distributions is generally taxed as ordinary income in the year it is received. Further, withdrawals taken before age 59½ may be subject to nondeductible penalty taxes, unless you qualify for an exemption.

The taxable portion of virtually all non-periodic Plan withdrawals (other than hardship withdrawals) is also subject to mandatory 20% federal withholding tax, unless you arrange to directly roll over the money into an IRA or to another qualified retirement plan.

Certain lump-sum distributions from the Plan may be eligible for special tax treatment if you meet age and participation requirements. If you were born before 1936, you may be eligible for ten-year forward income averaging when you retire if you take a total withdrawal of your account balance. If you think you may be eligible for forward income averaging, you should consult a tax advisor prior to retirement.

Your Plan withdrawals and distributions will be reported annually on Forms 1099-R, which are mailed in January following the year in which the distribution was paid. You are responsible for reporting the taxable amount as income when you file your income tax returns.

When you request a withdrawal or distribution from the Plan, you will receive tax information regarding your income tax liability. You should read this information carefully to understand your payment options and how the manner in which you elect to receive your distribution affects your taxes and tax withholding. If you choose to take a withdrawal or distribution, you are responsible for complying with Internal Revenue Code rules governing distributions from retirement plans and for any tax consequences, and are strongly encouraged to consult a tax advisor. The Plan Administrator is not responsible for advising participants as to the tax consequences of withdrawals or distributions.

Withdrawals of PG&E Corporation Stock

For any withdrawal of contributions and earnings you have invested in the PG&E Corporation Stock Fund, you may have the total amount converted to PG&E Corporation common stock or paid to you in cash. Withdrawals from all of the other investment funds must be taken in cash, unless you elect a direct rollover. If you want to receive PG&E Corporation stock instead of cash from such other funds, you may exchange all or a portion of your money in the other investment funds for units in the PG&E Corporation Stock Fund before taking the withdrawal.

If you withdraw PG&E Corporation stock, you will only be liable for income taxes on the cost basis of each unit. The cost basis is the average purchase price for all the units you own in the Fund. If you sell the withdrawn shares, you will be liable for income taxes on the difference between the cost basis of your units and the sale price. The income will be subject to the capital gains tax rate if you held the shares for at least one year before the sale.

Participants who are considered "affiliates" of PG&E Corporation may generally resell their shares of PG&E Corporation common stock in compliance with the Securities and Exchange Commission Rule 144.

Rollovers

Most taxable and non-taxable withdrawals and distributions from the Plan are eligible for direct rollover to an IRA or other qualified employer retirement plan that accepts rollovers. There are two types of rollovers – direct rollovers and indirect rollovers. A direct rollover is when the check for your Plan balance is payable directly to the receiving IRA or tax-qualified plan. If you choose a direct rollover of the taxable or non-taxable portion of a Plan distribution:

- no taxes will be withheld when the distribution is paid;
- the distribution will not be reported as taxable income; and
- taxes will be deferred until you later withdraw the money from the IRA or recipient qualified employer plan.

An indirect rollover is when the check for your Plan balance is made payable to you, and you then deposit all or a portion of that amount in an IRA or qualified plan. If you request an indirect rollover, the Plan is required by law to withhold 20% of the taxable amount. When you file your income tax return for that year, you must report the total amount of the distribution, including the withheld tax. You will receive a credit for the tax withheld to help offset the income tax you owe for that year. If you take an indirect rollover, you have 60 days from the date that you receive the distribution to roll it over to an IRA, Roth IRA or other qualified plan. Also, if you roll over taxable amounts to a Roth IRA, you will be subject to income tax on those conversions.

Plan distributions that are not eligible for rollover include:

- refunds of automatic enrollment contributions within 90 days of enrollment;
- ESOP dividends;
- loans treated as deemed distributions;
- distributions that are part of a series of substantially equal payments made at least once a year over a period of your lifetime/life expectancy, your and your beneficiary's lifetimes/life expectancies, or 10 years or more;
- minimum required distributions from the Plan;
- hardship withdrawals; and
- refunds of excess contributions.

Although PG&E Corporation stock may be an eligible rollover distribution from the Plan, some IRAs and qualified retirement plans may not accept rollovers of stock certificates. Before requesting a direct rollover of stock certificates, you must verify with the recipient IRA trustee or plan administrator that the IRA or plan will accept a direct rollover of stock certificates.

Early Distribution Penalties

In addition to being taxed as ordinary income, distributions taken before age 59½ (early distributions) may be subject to nondeductible federal and state penalty taxes (currently a 10% federal and 2½% California state tax; penalty taxes in other states may differ). Early distributions are exempt from the penalty taxes if made for one of the following reasons:

- refunds of automatic enrollment contributions within 90 days of enrollment;
- ESOP dividends;
- loans treated as deemed distributions;
- after termination of employment during or after the year in which you reach age 55;
- on account of your permanent disability;
- after termination of employment in a series of substantially equal periodic payments, based on your life expectancy, and continuing for at least five years or until age 59½, whichever is later;
- after qualified service as a reservist (those called to active duty for 180 or more days);

- to cover unreimbursed medical expenses for you, your spouse, or dependents in excess of 7.5% of your adjusted gross income;
- to an alternate payee under a Qualified Domestic Relations Order (QDRO) upon dissolution of marriage;
- to roll over to an IRA or other qualified retirement plan either directly or within 60 days of receipt of the distribution; or
- on account of your death.

The early withdrawal penalties also apply to all hardship distributions except for those taken for unreimbursed medical expenses to the extent that they exceed 7.5% of your adjusted gross income.

The Plan Administrator does not withhold or assess any early distribution penalties when a distribution is paid. If you are subject to the early distribution penalties, you are responsible for including the penalties when you file your income tax return.

What Happens

This section provides general information about how your benefits may be affected by certain life events. Where appropriate, it offers tips about things you may want to consider, actions you may want to take and sources where you can find more information.

In this section you can find information about actions you may take:

- If You Are on an Authorized Leave of Absence
- If You Leave PG&E or Retire
- If You Die
- If You Transfer to or from a Union Classification
- If You Get Divorced
- If You Get Rehired

If You Are on an Authorized Leave of Absence

Authorized leaves of absence include, but are not limited to, absences due to:

- illness or injury;
- qualified military service; or
- short-or long-term disability.

Your participation in the Plan continues as long as your authorized leave of absence does not constitute a break in service. You may continue making employee contributions and receiving employer matching contributions on any covered compensation you receive while on authorized leave of absence.

You may apply for an in-service or hardship withdrawal depending on your account assets, and the type of withdrawal (see the “Hardship Withdrawals” subhead under “In-Service Withdrawals” on page 69 for more information. You must meet all Plan and Internal Revenue Code requirements for the requested withdrawal. You may not take a distribution from the Plan while on an authorized leave of absence (see “Distributions After Your Employment Has Ended” on page 72).

If you have an outstanding loan, you may need to arrange for a loan repayment suspension, or arrange to make direct payments to Fidelity to repay the loan while you are on leave (see the “Repayment,” “Loan Repayment Suspensions”, “Loan Defaults” and “Distributions” subheads under” Loans” on page 66 for more information). You may not initiate a new loan while on an unpaid leave of absence.

If You Leave PG&E or Retire

If you terminate your employment with PG&E, you may no longer contribute to the Plan, except for contributions made with respect to retroactive wage payments. You may elect full distribution of your account after your employment ends. You may elect to:

- leave assets in the Plan (subject to minimum account distributions and potential ongoing administrative fees);
- rollover account balance to an IRA or another employer's plan; or
- take a distribution (subject to taxes and penalties).

See the "Withdrawal Options If You Leave PG&E" subhead under "In-Service Withdrawals" on page 69, "Distributions After Your Employment Has Ended" on page 72, and "Taxes and Penalties" on page 74 for additional information.

Administrative Fees

If your employment ends before reaching retirement age (age 55), and you elect to maintain your balance in the Plan, your Plan account will be assessed an administrative fee for the maintenance of your account. This administrative fee does not apply to employees or retirees (employees who are age 55 or older when employment ends). See "Fees and Expenses" on page 78 for more information.

Loans

You may make direct payments or elect EFT service to repay any outstanding loan balance to Fidelity. The loan will default if a loan payment is not made within 60 days of the date it is due. Defaulted loans are treated as plan distributions and are subject to ordinary income taxes. Early distribution penalty taxes may also apply. You cannot take out a new loan once your employment with PG&E ends.

If You Die

If you die, your Plan balance is payable to your beneficiary. If you are married at the time of death and did not designate a different beneficiary with the notarized consent of your spouse, your spouse is automatically your beneficiary. If you are single and did not designate a beneficiary, your estate is your beneficiary. Once the Plan is notified, your spouse or beneficiary will receive his or her options for disposition of the account. Your spouse or beneficiary may elect either to take a lump-sum distribution or to roll the Plan balance over directly into an inherited IRA. For the purposes of the plan, you have a "spouse" if you are married to:

- An opposite-sex partner in any jurisdiction;
- A same-sex partner in jurisdictions where same-sex marriage is recognized; or
- A same-sex or opposite-sex partner under a California domestic partnership registered with the California Secretary of State.

Payment to your beneficiary will occur within 60 days of the Plan Administrator's receipt of your beneficiary's payment instructions. If your beneficiary does not provide payment instructions for disposition of the account within 180 days following the Plan Administrator's receipt of notification of your death, the Plan Administrator will automatically withhold 20% from the taxable portion of the distribution for federal taxes and distribute the remainder to your beneficiary in a lump sum (see "Taxes and Penalties" on page 74).

You may change your beneficiary designation at any time by logging onto NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

If You Transfer to or from a Union Classification

If you transfer to or from a union classification and participate in the Final Pay Pension, be aware that your eligible company matching contributions may change and that loan repayments may be re-amortized and may change the frequency of your payments.

If You Get Divorced

Once the divorce is finalized, you may want to change your beneficiary designation. If your former spouse was previously listed as your beneficiary (and you have not designated a different beneficiary), your Plan balance will remain payable to your former spouse on your death. You can change your beneficiary designation at any time by logging onto NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

If your former spouse has an interest in your Retirement Savings Plan account, you should submit your endorsed-filed Qualified Domestic Relations Order (QDRO), to the PG&E Law Department for review and implementation. If you have a pending divorce order – referred to as a Domestic Relations Order or "DRO", you may be restricted from taking withdrawals and distributions from your account until the QDRO is finalized. See additional information regarding QDROs under "Qualified Domestic Relations Orders (QDROs)" on page 81.

If You Get Rehired

If you leave the employment of PG&E after completing one year of service and are subsequently rehired, you will receive credit for your past service, and the matching employer contribution will be based on your total years of service at the time you are rehired.

If you leave PG&E before completing one year of service and you return within 12 months, you will receive credit for your past service toward the one-year service requirement for matching employer contributions. If you leave PG&E before completing one year of service and you are gone for 12 months or more, you must work for 12 months before you are eligible for matching employer contributions.

If you are rehired on or after January 1, 2013 and have one or more years of service, you will be automatically enrolled in the Plan and will receive matching employer contributions of $0.75 per dollar on up to 8% of pay. See "Matching Employer Contribution" on page 55 and "Automatic Enrollment in the Plan" for more information.

Additional Plan Information

This section describes a number of regulations that apply to the benefits described in this Handbook, and provides some administrative details about the plans. For further information on these and other rules, see the *Rules, Regulations and Administrative Information* section.

Significant Accounting Policies and Investment Disclosure

Participants' contributions to the investment funds offered under the Plan are credited to participants' accounts as "units," rather than individual purchases of stocks, bonds, or other securities. The gains or losses in investment fund values are accounted for through increases or decreases in the value of the units. Similar to mutual fund share prices, unit values change daily, taking into account the current fair market value of the investment portfolio, including any earned interest or dividend income, and are determined by dividing the net assets of the fund by the number of units outstanding.

Fees and Expenses

Beginning January 1, 2012, participants who are no longer employed at PG&E but continue to have a balance in the Plan are assessed an administrative fee for as long as they keep an account in the Plan. This fee, which may increase in the future, currently is $53 per year ($13.25 per quarter). The fee will be deducted from your account at the beginning of each quarter and will be reflected on your quarterly statement. This fee applies only to employees who terminate their employment at PG&E but decide to maintain their RSP account. It will not apply to PG&E employees or retirees (employees who were age 55 or older at employment termination).

If you have an account in the Plan, and you select or execute the following service(s) or transaction(s), the fee(s) outlined below are deducted from your account. As you review this information, please keep in mind that fees are subject to change and that certain individual fees may not be deducted in some circumstances.

Type of Fee	Amount
Prior Loan Maintenance Fee	$15.00 per year per loan initiated prior to 11/01/2009, deducted quarterly.
Loan Setup Fee	$50.00 per loan
In-Service Withdrawal Fee	$25.00 per transaction
Minimum Required Distribution Fee	$25.00 per distribution year
Loan Maintenance Fee	$25.00 per year per loan initiated on or after 11/09/2009, deducted quarterly
Overnight Mailing Fee	$25.00 per transaction
Financial Engines Professional Management Fee	If you utilize this service, the Financial Engines fee is as follows: 0.50% per year for the first $100,000.00 in your account; 0.45% per year on the next $100,000.01 to $250,000.00; 0.30% per year for any amount over $250,000.00 and is deducted quarterly.

Investment management and trust expenses are netted against investment returns of Tier 1 and Tier 2 funds. Mutual fund fees and expenses are netted against investment returns for mutual funds in Tier 3. Administrative costs (with the exception of loan fees and Financial Engines' Professional Management fees) are generally paid by the Corporation or participating employers, however, the Plan Administrator may use Plan assets that have been forfeited and are not allocable to individual accounts to pay the reasonable, administrative expenses of the Plan. Additional fee and expense information is provided in the Participant Disclosure Notice that is provided to you each year.

The fund descriptions and more information on fees and expenses can be found on Fidelity NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015). The automated voice response system is available 24 hours a day. You can speak with a Participant Services Representative Monday through Friday from 5 a.m. to 9 p.m. Pacific time.

Plan Administration and the Corporation's Power and Duties

The PG&E Corporation Employee Benefit Committee is the Plan Administrator and is responsible for the overall administration of the Plan. This committee has the sole power and discretionary authority to establish, and from time to time revise, such rules and regulations as may be necessary to administer the Plan in a nondiscriminatory manner for the exclusive benefit of participants and all other persons entitled to benefits under the Plan. This committee delegates to the Senior Vice President – Human Resources of PG&E Corporation and assigned staff the authority to interpret, implement, and revise rules and regulations as necessary to administer the Plan in a proper and nondiscriminatory manner. Staff is also responsible for overseeing participant recordkeeping, accounting, reporting, and receipt and disbursement of Plan assets.

The Plan Administrator has the discretionary authority to interpret and construe the terms of the Plan, to resolve any conflicts or discrepancies between documents and to establish rules which are necessary or desirable for the administration of the Plan.

Participant Account Activity and Plan Service Provider

Individual accounts are maintained for each participant's interest in the Plan and all contributions are accounted for separately with respect to units attributable to pre-tax contributions, after-tax contributions, basic employer contributions, matching employer contributions, catch-up contributions, and any rollover contributions. As previously stated, separate accounts are also maintained for participants with an outstanding Plan loan balance.

Quarterly statements of account activity, reflecting contributions and earnings/losses in each investment fund and summarizing transactions during the period, are mailed to each participant as soon as practicable after the end of each quarter. You may also request to receive quarterly statements online.

Fidelity is the administrative service provider for the Plan, and is charged with day-to-day recordkeeping and participant account maintenance. Participant accounts are valued daily with up-to-date account values and share prices, and transactions may be initiated on a daily basis.

Participant services include:

- 24-hour Internet access through Fidelity NetBenefits℠ online account services (www.401k.com).
- 24-hour toll-free telephone automated voice response system; and
- Participant Services Representatives who are available from 5 a.m. to 9 p.m. Pacific time, 6 a.m. to 10 p.m. Mountain time, 7 a.m. to 11 p.m. Central time, and 8 a.m. to midnight Eastern time at Fidelity's RSP Service Center (877-PGE-401K or 877-743-4015).

Claims and Appeals Procedures

If you have a claim for benefits that cannot be resolved through Fidelity's RSP Service Center, you may file a claim for benefits in writing with the Plan Administrator. Claims should be submitted to:

The Retirement Savings Plan Administrator
PG&E Corporation
1850 Gateway Boulevard, 7025C
Concord, CA 94520

If a claim by a participant or beneficiary is denied in whole or in part, the Plan Administrator will notify the claimant in writing, explaining the reason for denial within 90 days of receipt of the initial claim unless due to special circumstances an additional 90 days is required. Such notification will set forth:

- the specific reason for the denial;
- the Plan provision on which the denial is based; and, if necessary,
- any explanation or information that may be beneficial to the claimant in order to perfect the claim.

The notice will also include instructions about how to appeal the Plan Administrator's denial and request that the claim be reviewed, including a statement of your right to bring a civil action under ERISA section 502(c) following an adverse benefit determination on appeal. If you do not receive a notice of denial of your initial claim, you may submit a written request for review to the Plan Administrator within these time periods.

A claimant's appeal for review must be made in writing within 90 days of receiving the Plan Administrator's notice of denial. As part of your appeal, you will (1) have the opportunity to submit written comments, documents, records, and other information relating to your claim for benefits; and (2) be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relating to your claim for benefits. The review of your claim will take into account all comments, documents, records, and other information you submit relating to your claim, without regard to whether it was submitted or considered in the initial benefit determination. Failure to raise issues or present evidence on review will preclude those issues or evidence from being presented in any subsequent proceeding or judicial review of the claim.

A final written decision will be rendered within 60 days of receipt of the appeal for review unless due to special circumstances an additional 60 days is required. Your claim is considered approved only if the Plan Administrator's approval is communicated to you in writing.

A participant who is a member of a bargaining unit under any collective bargaining agreement between the Company and any union may use the grievance or adjustment procedure of the appropriate collective bargaining agreement to resolve any dispute concerning any question of service, status or membership under the Plan instead of the appeals procedures described above.

The administrative remedies described in this section (as well as a grievance or adjustment procedure of the appropriate collective bargaining agreement if it is used instead of the appeal rights described above) must be exhausted before any legal action can be taken by a claimant. If a claimant timely exhausts all levels of appeal available to the claimant under the Plan's claims procedures (including appeals to both the Plan Administrator and the EBAC), any permissible legal action under ERISA section 502(a) must be initiated within the applicable statute of limitations. The review procedures described in this section are the exclusive administrative procedures provided under the Plan.

Borrowing, Pledging, and Assigning Interests in the Plan

No participant or beneficiary may borrow against, pledge, or assign—voluntarily or involuntarily, or by operation of law—any interest in the Plan or in any distribution to be made under the Plan. However, this does not prevent an employee from obtaining a loan from his or her Plan account in accordance with the Plan's loan procedures. Also, a spouse, former spouse, child, or other dependent of an employee may be able to claim an interest in an employee's Plan benefits under a QDRO issued by a court (see "Qualified Domestic Relations Orders" below). If a participant files for personal bankruptcy, an exclusion and certain exceptions under the bankruptcy law may be applicable to part or all of the participant's Plan account.

Except as described above, no party, including creditors of PG&E Corporation, has or may create a lien on any funds, securities, or other assets held under the Plan.

Future of the Plan

Although the Corporation expects the Plan to continue indefinitely, it has the exclusive right to amend, suspend, or terminate the Plan at any time. No amendment to the Plan may be made, however, that would result in a participant's or beneficiary's loss of rights or accumulated Plan assets. Further, in the event of Plan termination, all contributions to the Plan will stop, but the Plan will continue to operate until all of the assets have been distributed in accordance with Plan provisions in effect on the date of its termination.

Qualified Domestic Relations Orders (QDROs)

In the event a participant is divorced, ERISA permits the division of the participant's Plan account between the participant and certain other beneficiaries pursuant to a QDRO. The Plan Administrator will determine the qualified status of any domestic relations order for a participant who is divorced or legally separated. The Plan will also oversee the disbursement of Plan assets to the participant and the spouse, former spouse, child, or other dependent named in a QDRO as having a right to receive benefits in the Plan.

Domestic relations orders include any judgment, decree, or order (including approval of a property settlement agreement) that relates to child support, alimony payments, or marital property rights and that is made pursuant to state domestic relations laws (including community property law). You can obtain a free copy of the QDRO procedures or a sample QDRO by calling the HR Service Center at Company extension 8-223-4357, externally at 415-973-HELP (415-973-4357) or toll-free at 800-788-2363. You can also send an e-mail to the HR Service Center at hrbenefitsquestions@exchange.pge.com.

Once the divorce is finalized, you may want to change your beneficiary designation. You can change your beneficiary designation at any time by logging onto NetBenefits℠ at www.401k.com or by calling Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015).

Facility of Payment

If you are entitled to any payment under the Plan, and the Plan Administrator determines that you are physically or mentally incompetent and no guardian or conservator has been appointed to receive your payment, the Plan Administrator may make payments on your behalf to a third-party to be applied for and on behalf of and for your benefit. Payments made on your behalf will completely discharge the Plan's responsibility for the amount of the payment.

No Guarantee of Employment

Participation in the Plan does not guarantee your right to employment with PG&E Corporation or any affiliates. Further, nothing set forth in this Summary of Benefits Handbook should be interpreted to give you or your beneficiary any legal or equitable rights against PG&E or its affiliates.

Military Service

Federal law provides rights to certain reemployed veterans for service credit and makeup contributions for all or a portion of the period of military service. Please contact Fidelity's RSP Service Center at 877-PGE-401K (877-743-4015) for more information.

Missing Participants

If the Plan Administrator is unable to locate a Participant after three years and after reasonable efforts have been made to do so, the Participant's benefit under the Plan will forfeited and used to offset future employer contributions. If a proper claim is subsequently presented, the Participant's benefit will be reinstated.

Requests for Documents

Participants may review the Plan document, the Trust Agreement between the Corporation and Fidelity Management Trust Company, Investment Agreements between the Corporation and the investment managers, and the Summary Plan Description and any amendments or changes to the provisions contained in these documents at the office of the Plan Administrator. Any report regarding the Plan filed with the Department of Labor, the Internal Revenue Service, or any other governmental agency is also available for review. Requests for copies of any of these documents must be made to the Plan Administrator as follows:

Employee Benefit Committee of PG&E Corporation
1850 Gateway Boulevard 7025C
Concord, CA 94520

The Plan Administrator reserves the right to charge for providing such copies up to the amount permitted under ERISA.

Copies of PG&E Corporation's latest annual report to shareholders, proxy statement, reports, and other communications sent to shareholders, are available without charge upon oral or written request to the Plan Administrator. Requests may be directed to:

PG&E Corporation
Corporate Secretary
77 Beale Street, 24th floor
Mail Code B24W
San Francisco, CA 94105

Retiree Medical Coverage

Upon retirement, you may choose to continue medical coverage under the PG&E Retiree Medical Plan if you meet the eligibility requirements. In general, the dependents you cover as an employee will also continue to be eligible to be covered under your retiree plan.

You must complete the Retiree Medical Election Form and return it to the HR Service Center at least 30 days before your retirement date, even if you are electing to delay your pension. If the form is not received by the HR Service Center on time, your medical coverage will be cancelled as of your retirement date. If your coverage is cancelled, you must wait until the next Open Enrollment period to re-enroll in a PG&E-sponsored retiree medical plan.

If you do not want to continue your PG&E-sponsored medical coverage, you may elect to decline Retiree Medical Plan coverage. However, if you decline coverage, you can re-enroll only during an Open Enrollment period.

If Your Coverage Is Cancelled or You Decline Coverage
To enroll during Open Enrollment, you must call the HR Service Center by **September 1** to notify the Center of your intent to re-enroll for the upcoming calendar year.

Your Medical Plan Options

Medical plan options change from time to time. For retirees, some of the plans offered may be different than the plans available to active employees. Medicare eligibility affects PG&E medical plan eligibility for both employees and retirees.

When you become eligible for Medicare, you will be given the opportunity to change medical plans. Whether you change plans at that time or stay in the same plan, Medicare will become the primary payer and PG&E will become the secondary payer. This means that your monthly contributions will change. As a retiree covered under a PG&E medical plan, you will automatically receive Medicare information before you turn 65. You will also automatically receive Medicare information before your covered spouse or domestic partner turns 65. In addition, when you and/or your covered spouse or domestic partner enroll in Medicare and provide documentation of such enrollment to PG&E, you will receive a monthly credit toward the cost of Medicare premiums for each Medicare enrollee covered in a PG&E-sponsored medical plan.

Eligibility

You may participate in the PG&E Retiree Medical Plan only if you are a Retiree as defined under the PG&E Retiree Medical Plan and you meet the eligibility criteria stated below. There is no retiree dental or vision coverage.

For PG&E Employees

If you are a PG&E employee, you are eligible for Retiree Medical Plan coverage if you:

- attain age 55 prior to your termination or retirement from the Company; and
- you satisfy the applicable Service Requirements outlined below.

Service Requirements

If you are a Bargaining Unit employee who terminated employment on or after January 1, 2004, you must satisfy the age requirement above and have a minimum of 10 years of Service under the PG&E Retirement Plan.

Individuals Who Terminate Employment Before Age 55

You are not considered a Retiree of the Company (or of a participating employer) and you are **not** eligible for Retiree Medical Plan benefits or Postretirement Life Insurance benefits if you leave the Company before age 55, even if you have five or more years of Credited Service under the PG&E Retirement Plan when you leave the Company (or any participating employer). Although you may be entitled to a future benefit from the Retirement Plan, you are **not** eligible for any other benefits such as Retiree Medical or Postretirement Life Insurance.

Surviving Dependents

Surviving Dependents (spouses, domestic partners, and/or eligible dependent children) of an employee or retiree of the Company (or participating employer) are eligible for continued medical plan coverage if they were enrolled in a PG&E-sponsored medical plan at the time of the employee's or retiree's death, as long as they are not covered under another group plan, other than Medicare. Surviving Dependent children must also continue to meet the eligibility required for dependent children.

A Surviving Dependent's coverage begins the month after the death of the Retiree or employee. Required monthly premium contributions will change because the Company does not contribute toward the cost of Surviving Dependent medical coverage unless the survivor has a Retiree Medical Savings Account balance. See Retiree Medical Savings Account (RMSA) for details.

Surviving Dependents who get married or register a domestic partnership are no longer eligible to be covered under a PG&E-sponsored medical plan, even if the new spouse/domestic partner has no other medical coverage. If you get married or register a domestic partnership, please notify the HR Service Center immediately to avoid penalties.

Changing Your Coverage

Each fall, you will have the opportunity to make changes during the Open Enrollment period. In addition, the same change-in-status events that trigger mid-year enrollment changes for active employees — such as marriage, divorce, birth of a child, dependent reaching the limiting age, death of a dependent, moving out of a medical plan's service area, etc. — will also apply to you as a retiree. However, you must be currently enrolled in a PG&E-sponsored medical plan to be eligible to request a benefit change due to a change-in-status event.

Re-enrolling After Cancelling Coverage

All retirees who cancel medical plan coverage on or after January 1, 2003, are allowed to re-enroll in a Company-sponsored medical plan during any subsequent Open Enrollment period. During the time you have waived coverage, events which would otherwise be change-in-status events will not apply to you and you must wait for Open Enrollment to re-enroll. You must notify the HR Service Center of your intent to consider rejoining a medical plan by **September 1** to request an Open Enrollment package for the upcoming calendar year. If you are not enrolled in a PG&E-sponsored retiree medical plan, you will not receive enrollment materials automatically. Notification received after September 1 will be deferred to the following year's Open Enrollment period.

Retirees who dropped or had never enrolled in a PG&E-sponsored retiree medical plan prior to January 1, 2003, are not eligible to re-enroll for Company-sponsored medical plan coverage. Surviving Dependents who cancel medical plan coverage are not eligible to enroll in a PG&E-sponsored medical plan again at any time in the future.

Retiree Medical Savings Account (RMSA)

If you are eligible for PG&E-sponsored retiree medical coverage and you retire in 2011 or later, you and PG&E will share the cost of Retiree Medical Plan coverage. To help you and your eligible spouse or registered domestic partner pay for Retiree Medical Plan premiums, PG&E offers a Retiree Medical Savings Account (RMSA).

What Is the RMSA?

The RMSA is a notional account that you can use to reimburse yourself for the cost of Retiree Medical Plan premiums. When you retire, PG&E establishes separate RMSAs for you and your eligible spouse or registered domestic partner. RMSA funds are available only to help pay for your PG&E-sponsored retiree medical coverage. The account cannot be used for anything else.

Other RMSA Facts

- You never pay taxes on PG&E's contributions to your account because the RMSA has no cash value.
- Only PG&E can credit your RMSA with contributions; you may not contribute to your account.
- You forfeit your unused RMSA balance when you die. Your enrolled surviving spouse or registered domestic partner's RMSA will continue to help pay for his or her PG&E-sponsored retiree medical coverage until the account is depleted or until your spouse or registered domestic partner becomes eligible for Medicare, remarries or enters into a registered domestic partnership, becomes eligible for other employer-sponsored medical coverage, or chooses to decline PG&E-sponsored medical coverage.
- Your spouse or registered domestic partner's RMSA ends if you and your spouse divorce (or your domestic partnership is terminated) or if your spouse or registered domestic partner dies.
- If you marry, remarry or enter into a registered domestic partnership after you retire, your new spouse or registered domestic partner will not get a RMSA. In addition, your new spouse or registered domestic partner cannot use any remaining balance in a RMSA that belonged to your previous spouse or registered domestic partner.

Building Your RMSA While Employed at PG&E

The total value of your RMSA is within your control — the longer you work, the more you'll have when you retire. How much your account is worth when you retire depends on your age and years of service. The more years of service you have and the older you are, the higher the value of your RMSA. Although this program began in 2011, if you retiree in 2011 or later, your account value will be based on your total years of service.

Here's how the RMSA can grow the longer you work at PG&E.

Your Account — PG&E Contributes:	Your Spouse or Registered Domestic Partner's Account* — PG&E Contributes
$5,000 a year to your account for each year you're employed by PG&E, starting when you reach age 45 (or later if hired after age 45). Any full calendar year you were not employed by PG&E will be excluded from the $5,000 allocation.	$5,000 a year to your spouse or registered domestic partner's account for each year you're employed by PG&E, starting when you reach age 45 (or later if hired after age 45). Any full calendar year you were not employed by PG&E will be excluded from the $5,000 allocation.
Additional $1,000 a year to your account for each year of credited service beyond 15 years (including credited service before age 45) — credited at retirement.	Not applicable
Up to an additional lump sum of $7,500 to your account based on your years of credited service, prorated from 10 to 25 years of service — credited at retirement (equivalent to the Retiree Premium Offset Account).	Not applicable
4.5% interest to your account compounded annually beginning at the end of the year in which you reach age 46.	4.5% interest to your spouse or registered domestic partner's account compounded annually beginning at the end of the year in which you reach age 46.

* For your spouse or registered domestic partner to be eligible for the RMSA, you must be married or in a registered domestic partnership on your retirement date.

RMSA Example

PG&E will credit interest on the existing RMSA balances for you and your spouse or registered domestic partner starting at the end of the year in which you reach age 46 and continuing until you die. This credited interest is intended to help keep up with or offset medical inflation.

Here's an example of how interest can add up under the RMSA.

Joe was born June 1, 1951, and was hired by PG&E June 1, 1981. He reached age 45 June 1, 1996, and retires June 1, 2013 at age 62. Joe's wife Jane was born November 1, 1953. This example assumes:

- Joe is credited with the full, $5,000 annual RMSA allotment at the end of the year in which he reaches age 45 (there is no proration for mid-year birthdates). Jane also receives a $5,000 credit for her RMSA.
- Joe is credited with another $5,000 for each year he's employed by PG&E until he retires — including the year in which he works his last day. Jane also receives a $5,000 credit for each year of Joe's PG&E employment.
- 4.5 percent interest is credited to each of their accounts at the end of each year, starting when Joe reaches age 46.
- Joe is credited with a maximum lump-sum allotment of $7,500 at retirement. Jane does not receive this credit.
- An additional $1,000 per year of credited service beyond 15 years is credited to Joe's account at retirement. Jane does not receive these credits.
- Joe and Jane both enroll for PG&E-sponsored retiree medical coverage at the same time. Their RMSAs also begin paying for a portion of their coverage costs at the same time.

Year	Joe's Years of Service (YOS)	4.5% Interest	New Allocation	Joe's Balance
12/31/1996	15		$5,000	$5,000.00
12/31/1997		$225.00		$5,225.00
12/31/1997	16		$5,000	$10,225.00
12/31/1998		$460.13		$10,685.13
12/31/1998	17		$5,000	$15,685.13
12/31/1999		$705.83		$16,390.96
12/31/1999	18		$5,000	$21,390.96
12/31/2000		$962.59		$22,353.55
12/31/2000	19		$5,000	$27,353.55
12/31/2001		$1,230.91		$28,584.46
12/31/2001	20		$5,000	$33,584.46
12/31/2002		$1,511.30		$35,095.76
12/31/2002	21		$5,000	$40,095.76
12/31/2003		$1,804.31		$41,900.07
12/31/2003	22		$5,000	$46,900.07
12/31/2004		$2,110.50		$49,010.57
12/31/2004	23		$5,000	$54,010.57
12/31/2005		$2,430.48		$56,441.05
12/31/2005	24		$5,000	$61,441.05

Year	Joe's Years of Service (YOS)	4.5% Interest	New Allocation	Joe's Balance
12/31/2006		$2,764.85		$64,205.89
12/31/2006	25		$5,000	$69,205.89
12/31/2007		$3,114.27		$72.320.16
12/31/2007	26		$5,000	$77,320.16
12/31/2008		$3,479.41		$80,779.57
12/31/2008	27		$5,000	$85,799.57
12/31/2009		$3,860.98		$89,660.55
12/31/2009	28		$5,000	$94,660.55
12/31/2010		$4,259.72		$98,920.27
12/31/2010	29		$5,000	$103,920.27
12/31/2011		$4,676.41		$108,596.68
12/31/2011	30		$5,000	$113,596.68
12/31/2012		$5,111.85		$118,708.53
12/31/2012	31		$5,000	$123,708.53
6/1/2013 Joe retires			$5,000	$128,708.53
Allotment for over 25 years of service			$7,500	$136,208.53
Additional $1,000/years of service > 15 YOS			$17,000	$153,208.53
Joe's beginning account balance at retirement				**$153,208.53**

By the time he retires in 2013, Joe has a RMSA balance of $153,208.53 to use for his retiree medical premiums until the account is depleted. In this example, Joe uses $5,000 of his RMSA in 2013, the year he retires:

Year	Joe's Years of Service (YOS)	4.5% Interest	Drawdown	Joe's Balance
12/31/2013			<$5,000>*	$148,208.53
Interest		$6,669.38		**$154,877.92**

* Drawdown figure is for example only and does not represent an actual projection.

In this case, even though Joe used $5,000 from his account in 2013, his account is worth more at the end of 2013 than it was on his retirement date — $154,877.92 on December 31, 2013, compared to $153,208.53 on June 1, 2013. That's because Joe's RMSA helped pay for seven months of retiree medical premiums during his first year of retirement, and at the same time, PG&E continued to credit Joe's account with annual interest to help counterbalance rising medical premium costs.

Jane’s RMSA

Jane’s initial RMSA balance will be $128,707.53, equal to Joe’s $5,000 annual allotment and accrued interest through 2012, plus the final $5,000 allotted on Joe’s retirement date. In this example, Jane spends $5,000 of her RMSA in 2013, the year Joe retires:

Year	Joe’s Years of Service (YOS)	4.5% Interest	Drawdown	Joe’s Balance
12/31/2012 (year before Joe retires)	31			$123,708.53
6/1/2013 (Joe retires) 2013 Allotment: $5,000				$128,708.53
Jane’s beginning account balance when Joe retires				**$128,708.53**
12/31/2013			<$5,000>*	$123,708.53
Interest		$5,566.88		**$129,275.42**

* Drawdown figure is for example only and does not represent an actual projection.

Using Your RMSA Balance During Retirement

Each year, the RMSA will pay a monthly percentage of your retiree medical premium costs until your account is depleted. At that point, you pay 100 percent of the premium cost. The percentage the RMSA will pay depends on what year it is.

- In 2013, the RMSA will pay 61 percent of the cost of non-Medicare retiree medical coverage and 31 percent of the cost of Medicare retiree medical coverage.

The percentage the RMSA will pay decreases over the next few years until:

- 2016, when it will remain at 55 percent for non-Medicare retirees
- 2014, when it will remain at 30 percent for Medicare retirees

The RMSA payment percentage will stay at these levels in future years.

Although the payment percentage initially decreases, the actual dollar amount paid by the RMSA is likely to increase as medical inflation increases.

Here’s how the payment percentage decreases over time:

Year	Non-Medicare Retirees and Spouses/Registered Domestic Partners	Medicare Retirees and Spouses/Registered Domestic Partners
	The RMSA will pay this percentage of retiree medical premiums:	
2013	61%	31%
2014	59%	30%
2015	57%	30%
2016	55%	30%
2017	55%	30%
2018	55%	30%

You will be responsible for paying the balance of the monthly premium after your RMSA has been applied. For example, let's say you retire in 2013 and you and your spouse are not on Medicare. You elect the Network Access Plan (NAP) for you and your spouse:

If the total monthly premium for 2013 is:	$2,513.89
Your RMSA will pay this amount (61 percent of the premium):	$1,533.47
You will pay this amount out of pocket:	$980.42

To estimate how much you and PG&E may pay for your retiree medical coverage when you plan to retire, access the Retiree Medical Estimator by logging onto the PG&E@Work For Me intranet site or https://www.myportal/pge.com on the Internet. Click on "About Me" then "My Retirement" to find the Estimator.

The Retiree Medical Estimator does not take into account coverage for children or special situations such as breaks in service or early Medicare eligibility. Contact the HR Service Center to have an estimate run if one of these exceptions applies to you.

For additional information about the Retiree Medical Plan, see the *Summary of Benefits Handbook for Retirees and Surviving Spouses* in the **Benefit Plan Documents** section of the PG&E@Work intranet.

If Both You and Your Spouse are PG&E Employees

An employee can only have one RMSA. You can have either a retiree RMSA or a spousal RMSA, but not both:

- **If you're working and your spouse is retired,** your spouse can be covered as a dependent under your active employee plan and defer using his or her PG&E-sponsored retiree medical coverage until you retire. Typically, this is the most cost effective choice. Your spouse's RMSA will not start paying benefits until your spouse enrolls for retiree medical coverage.
- **When you retire and you both need to start using PG&E-sponsored retiree medical coverage,** you'll have a choice:
  - **You each can choose to have your own, individual retiree RMSAs.** In this case, you each would need to elect your own retiree medical plan coverage as primary retirees. Neither you nor your spouse would be enrolled as dependents under the other's retiree medical plan. If you each choose your own retiree RMSAs, then your separate RMSA balances will be calculated based on each of your individual employment records.

    OR
  - **One of you can make a one-time, irrevocable election to receive a spousal RMSA instead of a retiree RMSA.** Whoever elects the spousal RMSA will be covered as a dependent under the primary retiree's medical plan. If the primary retiree dies, the dependent spouse with the spousal RMSA will be subject to the provisions applicable to surviving spouses.
- **If one of you elects a spousal RMSA instead of a separate retiree RMSA,** then the spousal RMSA will be subject to the rules governing all other spousal RMSAs.

  Your spouse or registered domestic partner's RMSA will end when his or her account is depleted. In addition, your spouse or registered domestic partner's RMSA will end if you divorce or terminate your registered domestic partnership, or after your death, when he or she:
  - Becomes eligible for Medicare;
  - Remarries or enters into a registered domestic partnership;
  - Becomes eligible for other employer-sponsored medical coverage; or
  - Chooses to decline PG&E-sponsored medical coverage.

  PG&E will continue to credit the account with 4.5 percent annual interest until the account ends. Eligible Medicare spouses and Medicare registered domestic partners must pay the full cost of PG&E-sponsored medical coverage for themselves and for their enrolled children.

Postretirement Life Insurance

You are eligible for Postretirement Life Insurance coverage if you retire under the Company's Retirement Plan after age 55. You do not need to enroll for coverage. Coverage is automatic if you meet the eligibility requirements. The Company pays the full cost for your coverage.

For more details about Life Insurance, including eligibility, claims and appeals, converting coverage to an individual policy, and administrative information, see the Life and Accident Insurance plans section of this handbook.

Amount of Coverage

The amount of Postretirement Life Insurance coverage for retirees is $8,000.

Rules, Regulations & Administrative Information

This section describes a number of regulations that apply to the benefits described in this Handbook, and provides some administrative details about the plans.

Not all of the plans in the Handbook are subject to all of the same laws. For example, some plans are subject to the Employee Retirement Income Security Act of 1974 (ERISA) while others are not. For information on which laws cover the plans, see "Administrative Information" beginning on page 101 for each plan. All of the plans listed under "Administrative Information" are subject to ERISA, with the exception of the Health and Welfare Benefits Pre-Tax Plan.

Plan Amendment and Termination

"Company" Defined

Throughout this section, unless otherwise stated, reference to "Company" or "PG&E" means Pacific Gas and Electric Company.

The Company, acting through its authorized representatives, reserves the right to amend or terminate any or all of the plans described in this Handbook at any time and for any reason, or to suspend contributions to the plans, in whole or in part, at any time, subject to any applicable collective bargaining agreements.

Any change to the plans or the termination of any plans will not affect the benefits payable to plan members before the date the plan was changed or ended, but such change may result in reduced levels of benefits or benefit coverage, or higher levels of employee contributions, after the effective date of any such change.

In the event that the Company terminates a plan for any reason without replacing it, you will be given notice.

The plans may also be terminated by judicial action if the Company is bankrupt or insolvent, or upon complete dissolution, merger, consolidation or reorganization without provision by a successor-company for continuation of the plans.

Your Rights Under ERISA

Participants in the plans in this Handbook that are subject to the Employee Retirement Income Security Act of 1974 ("ERISA") are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office, and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining unit agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan descriptions. The administrator may charge a reasonable fee for the copies. You may also review all official plan documents, during normal business hours, in the Benefits Department.

- Receive a summary of the plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Continue health care coverage (including health care flexible spending account coverage) for yourself, spouse/registered domestic partner and/or dependents if there is a loss of coverage under the plan as a result of a qualifying event under COBRA. You or your dependents may have to pay for such coverage. You may also review this summary plan description and the documents governing the plan on the rules governing your COBRA continuation coverage rights.
- Reduction or elimination of exclusionary periods of coverage for pre-existing conditions under your group health plan, if you have creditable coverage from another plan. You should be provided a certificate of creditable coverage, free of charge, from your group health plan or health insurance issuer when you lose coverage under the plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage. Without evidence of creditable coverage, you may be subject to a pre-existing condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now.

  If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce your rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan's decision, or lack thereof, concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court.

If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Health Information Privacy and Data Security

Please Read This Carefully

This section describes how medical information about you may be used and disclosed and how you can obtain access to this information.

The Pacific Gas and Electric Company and its health plan partners are committed to protecting the privacy and confidentiality of the health information for eligible participants (including eligible employees, retirees and surviving spouses, and their Eligible Dependents) that is created or received in the administration of The Pacific Gas and Electric Company Health Care Plan for Active Employees, The Pacific Gas and Electric Company Health Care Plan for Retirees and Surviving Dependents, and The Pacific Gas and Electric Company Health Care Flexible Spending Account Plan (collectively, "Health Plans").

Federal legislation known as the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the underlying privacy and security regulations issued by the U.S. Department of Health and Human Services provide additional protection for individually identifiable health information (referred to as "Protected Health Information"). The privacy regulations were effective April 14, 2004, and the security regulations were effective April 20, 2005. Protected Health Information includes health information in any form or medium including paper, oral communications and electronic media. For this purpose, electronic media will include health information stored on computer hard drives, any removable/transportable digital memory medium, such as a magnetic tape or disk, optical disk, or digital memory card, as well as the various methods in which health information is transmitted electronically.

The Health Plans will not use or disclose an eligible participant's Protected Health Information, except as necessary for purposes of treatment, payment or health care operations, or as otherwise permitted by applicable law. The Health Plans may also disclose an eligible participant's Protected Health Information to authorized Pacific Gas and Electric Company personnel (including personnel at affiliated companies whose employees participate in the Health Plans) for these and other administrative purposes. Neither the Pacific Gas and Electric Company nor its authorized personnel will, without the eligible participant's written authorization, use or disclose his or her Protected Health Information for employment-related actions and decisions, or in connection with any other benefit or employee benefit plan sponsored by the Pacific Gas and Electric Company.

Under HIPAA, eligible participants have certain important rights with respect to Protected Health Information, including the rights to inspect and copy information, receive an accounting of certain disclosures of health information, and under certain circumstances, amend the information that is incorrect or incomplete. Eligible participants may also request a restriction on the Protected Health Information that the Health Plans use or disclosure about their treatments, payments or health care operations, or that the Health Plans communicate with them about health matters using alternative means or at alternative locations. Eligible participants also have the right to file a complaint with the Health Plans or with the U.S. Department of Health and Human Services if they believe that their health information rights under HIPAA have been violated.

The Health Plans maintain a "HIPAA Notice of Health Information Privacy Practices" ("HIPAA Notice") that provides a description of how Pacific Gas and Electric Company and the Health Plans may use or disclose Protected Health Information, as well as eligible participants' health information rights under HIPAA. The Health Plans have implemented administrative, physical and technical safeguards designed to protect the confidentiality, integrity and availability of any Protected Health Information that it transmits, receives or maintains in any form of electronic media. See "HIPAA Notice of Health Information Privacy Practices" on page "Health Information Privacy and Data Security" on page 95 of this section.

To receive more information about the Health Plans' health information privacy practices or HIPAA rights, or if you have any questions about the HIPAA Notice, you may contact the Pacific Gas and Electric Company Plan Administrator, PG&E HR Service Center, 1850 Gateway Blvd, 7th Floor, Concord, CA 94520.

HIPAA Notice of Health Information Privacy Practices

This Notice is required by the Health Insurance Portability and Accountability Act ("HIPAA") and is intended to describe to the extent applicable to you how the Pacific Gas and Electric Company Health Care Plan for Active Employees, the Pacific Gas and Electric Company Health Care Plan for Retirees and Surviving Dependents, and the Pacific Gas and Electric Company Health Care Flexible Spending Account Plan (collectively, "Health Plans"), and the various health plan vendors that administer these Health Plans (for example, Anthem Blue Cross) will protect your health information.

"Health information" for this purpose means information that identifies you and either relates to your physical or mental health condition, or relates to the payment of your health care expenses. This individually identifiable health information is known as "protected health information" ("PHI"). Your PHI will not be used or disclosed by the Health Plans without a written authorization from you, except as described in this Notice or as otherwise permitted by federal or state health information privacy laws. Please note that your personal physician or other health care facilities (for example, hospitals or health clinics) where you may receive health care or treatment may have different policies, procedures or notices regarding the physician's or health care facility's use or disclosure of PHI that they may have created. These health care providers will separately notify you regarding their health information policies or procedures.

Health Plan Privacy Obligations

The Health Plans are required by law to:

- Make sure that health information that identifies you is kept private;
- Give you this Notice of their legal duties and privacy practices with respect to health information about you; and
- Follow the terms of the Notice that are in effect.

How the Health Plans May Use and Disclose Health Information About You

The Health Plans may use health information or disclose it to others for a number of different reasons. The following are the different ways that the Health Plans may use and disclose your PHI without your authorization:

- For Treatment. The Health Plans may disclose your PHI to a health care provider who provides, coordinates or manages health care treatment on your behalf. For example, if you are unable to provide your medical history as a result of an accident, the Health Plans may advise an emergency room physician about the different medications that you may have been prescribed.
- For Payment. The Health Plans may use and disclose your PHI so claims for health care treatment, services, and supplies that you receive from health care providers may be paid according to the Health Plans' terms. The Health Plans may also use your PHI for billing, reviews of health care services received, and subrogation. For example, the Health Plans may tell a doctor or hospital whether you are eligible for coverage or what percentage of the bill will be paid by the Health Plans.
- For Health Care Operations. The Health Plans may use and disclose your PHI to enable them to operate more efficiently or to make certain that all of their participants receive the appropriate health benefits. For example, the Health Plans may use your PHI for case management, to refer individuals to disease management programs, for underwriting, premium rating, activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits, to arrange for medical reviews, or to perform population-based studies designed to reduce health care costs. In addition, the Health Plans may use or disclose your PHI to conduct compliance reviews, audits, legal reviews, actuarial studies, and/or for fraud and abuse detection. The Health Plans may not use or disclose genetic information for underwriting purposes.
- To The Plan Sponsor. The Health Plans are sponsored by the Company. The Health Plans may disclose your PHI to designated personnel at the Company so that they can carry out related administrative functions, including the uses and disclosures described in this Notice. Such disclosures will be made only to the individuals authorized to receive such information under the Health Plans. These individuals will protect the privacy of your health information and ensure that it is used only as described in this Notice or as permitted by law. Unless authorized by you in writing, your health information: (1) may not be disclosed by the Health Plans to any other employee or department of the Company, and (2) will not be used by the Company for any

employment-related actions or decisions, or in connection with any other employee benefit plans sponsored by the Company.

- To a Business Associate. Certain services are provided to the Health Plans by third-party administrators known as "business associates." For example, the Health Plans may place information about your health care treatment into an electronic claims processing system maintained by a business associate so that your claim may be paid. In so doing, the Health Plans will disclose your PHI to their business associates so that the business associates can perform their claims payment functions. However, the Health Plans will require their business associates, through written agreements, to appropriately safeguard your health information.
- For Treatment Alternatives. The Health Plans may use and disclose your PHI to tell you about possible treatment options or health care alternatives that may be of interest to you.
- For Health-Related Benefits and Services. The Health Plans may use and disclose your PHI to tell you about health-related benefits or services that may be of interest to you.
- To Communicate With Family and Others When You Are Not Present. There may be times when a family member or other person involved in your or your child's care contacts the Health Plans on your behalf because there is an emergency, you are not present, or you lack the decision making capacity to agree or object. In those instances, we will use our best judgment to determine if the disclosure of your or your child's PHI is warranted. If so, we will limit the disclosure to the PHI that is directly relevant to the person's involvement with your or your child's health care. For example, if you are hospitalized, we may provide your spouse with information about payment of your medical claims. The Health Plans may also advise a family member or close friend about your condition, your location (for example, that you are in the hospital), or death, unless other laws would prohibit such disclosures.
- As Required by Law. The Health Plans will disclose your PHI when required to do so by federal, state, or local law, including those laws that require the reporting of certain types of wounds, illnesses or physical injuries.

Special Use and Disclosure Situations

The Health Plans may also use or disclose your PHI without your authorization under the following circumstances:

- Lawsuits and Disputes. If you become involved in a lawsuit or other legal action, the Health Plans may disclose your PHI in response to a court or administrative order, a subpoena, warrant, discovery request, or other forms of lawful due process.
- Law Enforcement. The Health Plans may release your PHI if asked to do so by a law enforcement official, for example, to report child abuse, to identify or locate a suspect, material witness or missing person, or to report a crime, the crime's location or victims, or the identity, description, or location of the person who committed the crime.
- Workers' Compensation. The Health Plans may disclose your PHI to the extent authorized by and to the extent necessary to comply with workers' compensation laws and other similar programs.
- Military and Veterans. If you are or become a member of the U.S. Armed Forces, the Health Plans may release medical information about you as deemed necessary by military command authorities.
- To Avert Serious Threat to Health or Safety. The Health Plans may use and disclose your PHI when necessary to prevent a serious threat to your health and safety, or the health and safety of the public or another person.
- Public Health Risks. The Health Plans may disclose health information about you for public health activities. These activities include preventing or controlling disease, injury or disability; reporting births and deaths; reporting child abuse or neglect; reporting reactions to medications or problems with medical products; or to notify people of recalls of products they have been using.
- Health Oversight Activities. The Health Plans may disclose your PHI to a health oversight agency for audits, investigations, inspections, and licensure necessary for the government to monitor the health care system and government programs.
- Research. Under certain limited circumstances, the Health Plans may use and disclose your PHI for medical research purposes.

- National Security, Intelligence Activities, and Protective Services. The Health Plans may release your PHI to authorized federal officials: (1) for intelligence, counterintelligence, and other national security activities authorized by law; and (2) to enable them to provide protection to the members of the U.S. government or foreign heads of state, or to conduct special investigations.
- Organ and Tissue Donation. If you are an organ donor, the Health Plans may release medical information to organizations that handle organ procurement or organ, eye, or tissue transplantation, or to an organ donation bank to facilitate organ or tissue donation and transplantation.
- Coroners, Medical Examiners, and Funeral Directors. The Health Plans may release your PHI to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or to determine the cause of death. The Health Plans may also release your PHI to a funeral director, as necessary, to carry out his/her responsibilities.

Your Rights Regarding Your Health Information

You have the following rights regarding the health information that the Health Plans maintain about you:

- Right to Inspect and Copy Your Personal Health Information. You have the right to inspect and copy your PHI that is maintained in a "designated record set" for so long as the Health Plans maintain your PHI. A "designated record set" includes medical information about eligibility, enrollment, claim and appeal records, medical and billing records maintained by the Health Plans, and records used in whole or in part to make decisions about your Health Plan benefits, but does not include psychotherapy notes, information intended for use in a civil, criminal or administrative proceeding, or any information to which access is otherwise prohibited by law.

  To inspect and copy health information maintained by the Health Plans, submit your request in writing to:

  > Pacific Gas and Electric Company
  > Plan Administrator — HIPAA
  > PG&E Benefits Department
  > 1850 Gateway Blvd., 7th Floor
  > Concord, CA 94520

  The Health Plans may charge a fee for the cost of copying and/or mailing your request. The Health Plans must act upon your request for access no later than 30 days after receipt (60 days if the information is maintained off-site). A single, 30-day extension is allowed if the Health Plans are unable to comply by the initial deadline. In limited circumstances, the Health Plans may deny your request to inspect and copy your PHI. Generally, if you are denied access to your health information, you will be informed as to the reasons for the denial, and of your right to request a review of the denial.

- Right to Amend Your Personal Health Information. If you feel that the health information that the Health Plans have about you is incorrect or incomplete, you may ask the Health Plans to amend it. You have the right to request an amendment for so long as the Health Plans maintain your PHI in a designated record set.

  To request an amendment, send a detailed request in writing to:

  > Pacific Gas and Electric Company
  > Plan Administrator — HIPAA
  > PG&E Benefits Department
  > 1850 Gateway Blvd., 7th Floor
  > Concord, CA 94520

  You must provide the reason(s) to support your request. The Health Plans may deny your request if you ask the Health Plans to amend health information that was: (1) accurate and complete; (2) not created by the Health Plans; (3) not part of the health information kept by or for the Health Plans; or (4) not information that you would be permitted to inspect and copy. The Health Plans have 60 days after the request is received to act on the request. A single, 30-day extension is allowed if the Health Plans cannot comply by the initial deadline. If the request is denied, in whole or in part, the Health Plans will provide you with a written denial that explains the basis for the denial. You may then submit a written statement disagreeing with the denial and, if permitted under HIPAA, have that statement included with any future disclosures of your PHI.

- Right to an Accounting of Disclosures. You have the right to request an "accounting of disclosures" of your PHI. This is a list of disclosures of your PHI that the Health Plans have made to others for the six (6) year period prior to the request, except for those disclosures necessary to carry out treatment, payment, or health care operations, disclosures previously made to you, disclosures that occurred prior to April 14, 2003 (the HIPAA compliance date), or in certain other situations described under HIPAA.

  To request an accounting of disclosures, submit your request in writing to:

  Pacific Gas and Electric Company
  Plan Administrator — HIPAA
  PG&E Benefits Department
  1850 Gateway Blvd., 7th Floor
  Concord, CA 94520

  Your request must state a time period, which may not be longer than six (6) years prior to the date the accounting was requested. If the accounting cannot be provided within 60 days, an additional 30 days is allowed if the Health Plans provide you with a written statement of the reasons for the delay and the date by which the accounting will be provided. If you request an accounting more than once within a 12-month period, the Health Plans will charge a reasonable, cost-based fee for each subsequent accounting.

- Right to Request Restrictions. You have the right to request a restriction on the health information that the Health Plans use or disclose about you for treatment, payment, or health care operations. You also have the right to request that the Health Plans limit the individuals (for example, family members) to whom the Health Plans disclose health information about you. For example, you could ask that the Health Plans not use or disclose information about a surgical procedure that you had. While the Health Plans will consider your request, they are not required to agree to it. If the Health Plans agree to the restriction, they will comply with your request until such time as the Health Plans provide written notice to you of their intent to no longer agree to such restriction, or unless such disclosure is required by law.

  To request a restriction or limitation, make your request in writing to:

  Pacific Gas and Electric Company
  Plan Administrator — HIPAA
  PG&E Benefits Department
  1850 Gateway Blvd., 7th Floor
  Concord, CA 94520

  In your request, you must state: (1) what information you want to limit; (2) whether you want to limit the Health Plans' use, disclosure, or both; and (3) to whom you want the limit(s) to apply. Note: The Health Plans are not required to agree to your request.

- Right to Request Confidential Communications. You have the right to request that the Health Plans communicate with you about health matters using alternative means or at alternative locations. For example, you can ask that the Health Plans send your explanation of benefits ("EOB") forms about your benefit claims to a specified address. To request confidential communications, make your request in writing to:

  Pacific Gas and Electric Company
  Plan Administrator — HIPAA
  PG&E Benefits Department
  1850 Gateway Blvd., 7th Floor
  Concord, CA 94520

  The Health Plans will make every attempt to accommodate all reasonable requests. Your request must specify how or where you want to be contacted.

- State Privacy Rights. You may have additional privacy rights under state laws, including rights in connection with mental health and psychotherapy reports, pregnancy, HIV/AIDS-related illnesses, and the health treatment of minors.

- Right to a Paper Copy of this Notice. You have the right to a paper copy of this Notice upon request. This right applies even if you have previously agreed to accept this Notice electronically. To request a written copy of this Notice at any time, you may write to:

  Pacific Gas and Electric Company
  Plan Administrator — HIPAA
  PG&E Benefits Department
  1850 Gateway Blvd., 7th Floor
  Concord, CA 94520

Changes to this Privacy Notice

The Health Plans reserve the right to change this Notice at any time and from time to time, and to make the revised or changed Notice effective for health information that the Health Plans already have about you, as well as any information that the Health Plans may receive in the future. The revised Notice will be provided to you in the same manner as this Notice, or electronically if you have consented to receive the Notice electronically or you are able to receive electronic information at your worksite, in a manner consistent with federal regulations.

Complaints

If you believe that your health information privacy rights, as described under this Notice, have been violated, you may file a written complaint with the Health Plans by contacting the person listed at the address under “Contact Information,” below. You may also file a written complaint directly with the Secretary of the U.S. Department of Health and Human Services, at the Office for Civil Rights, U.S. Department of Health and Human Services, 200 Independence Avenue, S.W., Room 509F, Hubert H. Humphrey Building, Washington, D.C. 20201. The complaint should generally be filed within 180 days of when the act or omission complained of occurred. Note: You will not be penalized or retaliated against for filing a complaint.

Other Uses and Disclosures of Health Information

Other uses and disclosures of health information not covered by this Notice or by the laws that apply to the Health Plans will be made only with your written authorization. If you authorize the Health Plans to use or disclose your PHI, you may revoke the authorization, in writing, at any time. If you revoke your authorization, the Health Plans will no longer use or disclose your PHI for the reasons covered by your written authorization; however, the Health Plans will not reverse any uses or disclosures already made in reliance on your prior authorization.

Contact Information

To receive more information about the Health Plans’ privacy practices or your rights, or if you have any questions about this Notice, please contact the Health Plans at the following address:

Health Plan Name(s)	Pacific Gas and Electric Company Health Care Plan for Active Employees, Pacific Gas and Electric Company Health Care Plan for Retirees and Surviving Dependents, Pacific Gas and Electric Company Health Care Flexible Spending Account Plan
Contact Person	HIPAA Privacy Official
Address	77 Beale Street, Mail Code B23H, San Francisco, CA 94105
Phone	(415) 973-0290

A copy of this Notice is available online from the **Human Resources Forms** section of the PG&E@Work intranet, or you can contact the HR Service Center at Company extension 8-223-4357, externally at 415-973-4357 or toll-free at 800-788-2363.

Forfeiture of Unclaimed Benefit Payments

If you receive, or are entitled to receive, a benefit payment from one of the self-insured health plans and the Claims Administrator cannot locate you, the payment will be returned to the Company or, if paid from one of the Company’s trust funds, the appropriate trust. If, after three years from the date on which the benefit is paid or became payable, you have not accepted the payment or corresponded with the Claims Administrator or Trustee in writing concerning the benefit payment, the payment will be forfeited to the Company's operating general assets or trust that issued the payment. For additional information on plan funding, see "Funding" in the table that describes "**Error! Reference source not found.**" on page **Error! Bookmark not defined.**.

Facility of Payment

If any benefit from one of the self-insured health plans is payable to the estate of a Participant or to a dependent who is a minor or otherwise not competent to give a valid release, the self-insured health plan may pay the benefits to any relative or other person or persons whom the plan determines to have accepted competent responsibility for the care of the Participant or the dependent or for administration of the Participant's estate. Any payment made by a self-insured health plan in good faith pursuant to this provision fully discharges the plan and the Company to the extent of such payment.

Administrative Information

This section contains administrative details, such as official plan names and numbers and contact information for each plan.

The Health and Welfare Benefits Pre-Tax Plan

Name and Address of Employer	The Pacific Gas and Electric Company Health and Welfare Benefits Pre-Tax Plan is sponsored by: Pacific Gas and Electric Company 1850 Gateway Boulevard, 7th Floor Concord, CA 94520
Employer Identification Number	The Internal Revenue Service has assigned this ID number to the Plan sponsor: Pacific Gas and Electric Company: 94-0742640
Participating Employers	Pacific Gas and Electric Company PG&E Corporation PG&E Corporation Support Services, Inc. PG&E Corporation Support Services II, Inc.
Plan Name	The Pacific Gas and Electric Company Health and Welfare Benefits Pre-Tax Plan
Plan Number	525
Plan Type	Section 125
Plan Year	1/1–12/31
Plan Administrators	The Plan Administrator for the Plan is: The Employee Benefit Committee (EBC) of PG&E Corporation c/o Pacific Gas and Electric Company Benefits Department 1850 Gateway Boulevard, 7th Floor Concord, CA 94520
Discretionary Authority	The Plan Administrator has oversight responsibility for the administration of the Plan, which includes maintaining records and making rules, computations, interpretations and decisions that may be necessary for administration of the Plans. The Plan Administrator has the discretionary authority to interpret, construe, and define the terms of the Plan.

Agent for the Service of Legal Process	If you wish to take legal action after exhausting the applicable claims and appeals procedures, a lawsuit may be served on the Plan Administrator. Service should be directed to: Linda Y. H. Cheng Vice President, Corporate Governance and Corporate Secretary Pacific Gas and Electric Company 77 Beale Street Mail Code B24W San Francisco, CA 94105
Other Administrative Information	The Pacific Gas and Electric Company Health and Welfare Pre-Tax Plan is a “cafeteria” plan under Section 125 of the Internal Revenue Code. This is a non-ERISA Plan.
Funding	The Company is the administrator and pays the actual costs of the Plan directly from the Company’s general assets, as the costs are incurred.

Plan Directory

The plan directory includes, in alphabetical order, the programs that make up The Pacific Gas and Electric Company Health Care Plan for Active Employees. The Company contracts with various health care organizations to administer claims for the self-funded health plans. These organizations are called third-party administrators.

Plan Name	Plan Type	Trustee, Insurance Issuer and/or Third-Party Administrator
Anthem Blue Cross Health Account Plan (HAP) Comprehensive Access Plan (CAP), Network Access Plan (NAP), and Health Savings Account Medical Plan (HSA Medical Plan	hospitalization and medical benefits	Third-Party Administrator: Anthem Blue Cross PO Box 60007 Los Angeles, CA 90060-0007
Kaiser Permanente Insurance Company Health Account Plan	hospitalization and medical benefits	Third-Party Administrator: KPIC Self-Funded Claims Administrator P.O. Box 30547 Salt Lake City, UT 84130-0547 Payor ID # 94320
Dental Plan	dental benefits	Third-Party Administrator: Delta Dental of California P.O. Box 7736 San Francisco, CA 94120
Employee Assistance Program	assessment and referral benefits	Third-Party Administrator: ValueOptions P. O. Box 6065 Cypress, CA 90630-0065
Mental Health and Substance Abuse Program	hospitalization and medical benefits	Third-Party Administrator: Value Options P. O. Box 6065 Cypress, CA 90630-0065

Plan Name	Plan Type	Trustee, Insurance Issuer and/or Third-Party Administrator
Prescription Drug Program	prescription drug benefits	Third-Party Administrator: Express Scripts P.O. Box 14711 Lexington, KY 40512
Vision Plan	vision benefits	Third-Party Administrator: Vision Service Plan P. O. Box 997100 Sacramento, CA 95899-7100
Wellness program	health and wellness, including tobacco cessation and health screenings	Thirty Party Administrator: Provant Health Solutions 42 Ladd Street East Greenwich, RI 02818
Health Account	health reimbursement arrangement medical plan	Third-Party Administrator: **For the Anthem HAP:** Pacific Gas and Electric Company Benefits Department, 7th Floor Plan Administrator Appeals 1850 Gateway Boulevard Concord, CA 94520 **For the KPIC HAP:** KPIC Self-Funded Claims Administrator P.O. Box 30547 Salt Lake City, UT 84130-0547 Payor ID # 94320

Note: Several plans are only available to members on Long-Term Disability (LTD). These plans include the Network Access Plan (NAP), the Comprehensive Access Plan (CAP), and the Health Savings Account (HSA), administered by Anthem Blue Cross, as well as the KPIC Exclusive Provider Organization (EPO) Plan and Kaiser Senior Advantage. For more information about these plans, please see "Medical Coverage" in the *Health Care Benefits* section of the 2011 Summary of Benefits Handbook for IBEW-, ESC- and SEIU-represented employees.

The Pacific Gas and Electric Company Group Life Insurance Plan

Name and Address of Employer	The Pacific Gas and Electric Company Group Life Insurance Plan is sponsored by: Pacific Gas and Electric Company 1850 Gateway Boulevard, 7th Floor Concord, CA 94520
Employer Identification Number	The Internal Revenue Service has assigned this ID number to the Plan sponsor: Pacific Gas and Electric Company: 94-0742640
Participating Employers	Pacific Gas and Electric Company PG&E Corporation PG&E Corporation Support Services, Inc. PG&E Corporation Support Services II, Inc.
Plan Name	Pacific Gas and Electric Company Group Life Insurance Plan (Life and AD&D Benefits)
Plan Number	Group Life and AD&D: 543
Plan Type	Group life and accidental death and dismemberment (AD&D) insurance

Plan Administrators	The Plan Administrator for the Plan is: The Employee Benefit Committee (EBC) of PG&E Corporation c/o Pacific Gas and Electric Company Benefits Department 1850 Gateway Boulevard, 7th Floor Concord, CA 94520
Plan Trustee, Insurance Issuer and/or Third-Party Administrator	Insurance Issuer: MetLife 425 Market Street, Suite 970 San Francisco, CA 94105-2230
Discretionary Authority	The Plan Administrator has oversight responsibility for the administration of the Plan which includes maintaining records, and making rules, computations, interpretations and decisions that may be necessary for administration of the Plan. The Plan Administrator has the discretionary authority to interpret, construe, and define the terms of the Plan.
Agent for the Service of Legal Process	If you wish to take legal action after exhausting the applicable claims and appeals procedures, a lawsuit may be served on the Plan Administrator. Service should be directed to: Linda Y.H. Cheng Vice President, Corporate Governance and Corporate Secretary Pacific Gas and Electric Company 77 Beale Street Mail Code B24W San Francisco, CA 94105
Other Administrative Information	ERISA divides employee benefit plans into two broad categories: welfare plans and pension plans. The Pacific Gas and Electric Company Group Life Insurance Plan is a “welfare” plan.
Funding	The Group Life & AD&D benefits are fully insured through MetLife. The Basic life and Basic AD&D insurance premiums and administrative expenses are paid for by the Company. Group Life Insurance premiums are paid from a trust to which the Company makes contributions. The trustee is Mellon Bank.

The Pacific Gas and Electric Company Retirement Plan

Name and Address of Employer	The Pacific Gas and Electric Company Retirement Plan is sponsored by: Pacific Gas and Electric Company 1850 Gateway Boulevard, 7025C Concord, CA 94520
Employer Identification Number	The Internal Revenue Service has assigned this ID number to the Plan sponsor: Pacific Gas and Electric Company: 94-0742640
Participating Employers	Any affiliate or subsidiary of PG&E Corporation which participates in the Plan, including: ▪ Pacific Gas and Electric Company ▪ PG&E Corporation ▪ PG&E Corporation Support Services, Inc. ▪ PG&E Corporation Support Services II, Inc.
Plan Name	The Pacific Gas and Electric Company Retirement Plan

Plan Number	001
Plan Type	Pension: Defined Benefit
Plan Year	1/1–12/31
Plan Administrator	The Plan Administrator for the Plan is: The Employee Benefit Committee (EBC) of PG&E Corporation c/o Pacific Gas and Electric Company Benefits Department 1850 Gateway Boulevard, 7025C Concord, CA 94520 415-973-4537 or 800-788-2363
Plan Trustee, Insurance Issuer and/or Third-Party Administrator	Plan Trustee: The Bank of New York Mellon One Mellon Center 500 Grant Street, room 1315 Pittsburgh, PA 15258-0001 See the row titled "Funding" in this table for more information.
Discretionary Authority	The Plan Administrator has oversight responsibility for the administration of the Plan which includes maintaining records, and making rules, computations, interpretations and decisions that may be necessary for administration of the Plan. The Plan Administrator has the discretionary authority to interpret, construe, and define the terms of the Plan.
Agent for the Service of Legal Process	If you wish to take legal action after exhausting the applicable claims and appeals procedures, a lawsuit may be served on the Plan Administrator. Process may also be served on the Plan Trustee (see the row titled "Plan Trustee, Insurance Issuer and/or Third-Party Administrator" in this table for the address). Service should be directed to: Corporate Secretary Pacific Gas and Electric Company 77 Beale Street, 24th floor Mail Code B24W San Francisco, CA 94105
Other Administrative Information	ERISA divides employee benefit plans into two broad categories: welfare plans and pension plans. There are two types of "pension" plans. A "defined benefit" plan calculates your pension by using a formula; the amount of your benefit depends upon your pay and your credited service with the Company and a "defined contribution" plan provides an individual account for each participant; the amount you receive as a benefit depends upon the amount contributed to your account and the investment performance of the contributions. The Pacific Gas and Electric Company Retirement Plan is a defined benefit pension plan.

Funding	The Retirement Plan has been an employer-paid plan since 1973. The amount of each year's Company contribution is determined by the Employee Benefit Committee (EBC) based upon the advice of the Retirement Plan's actuary and in accordance with various laws and regulations which govern contributions to retirement plans. Company contributions are paid to bank trustees for safekeeping. Investment managers are appointed by EBC to direct the investment of the contributions paid to bank trustees. Bank trustees, insurance companies and investment managers are currently employed to invest or act as custodians of Retirement Plan assets.
Collective Bargaining Agreement	The Plan is maintained pursuant to multiple collective bargaining agreements. A copy of the agreements may be obtained by respective members and beneficiaries upon written request to: Human Resources – Labor Relations 245 Market Street, MC N2Z San Francisco, CA 94105

PG&E Corporation Retirement Savings Plan (formerly called the Pacific Gas and Electric Company Savings Fund Plan)

PG&E Corporation Retirement Savings Plan for Union-Represented Employees (formerly called the Pacific Gas and Electric Company Savings Fund Plan for Union-Represented Employees)

Name and Address of Employer	The Pacific Gas and Electric Company Retirement Savings Plan for Union-Represented Employees is sponsored by: PG&E Corporation 1850 Gateway Boulevard, 7025C Concord, CA 94520
Employer Identification Number	The Internal Revenue Service has assigned this ID number to the Plan sponsor: PG&E Corporation: 94-3234914
Participating Employers	Any affiliate or subsidiary of PG&E Corporation which participates in the Plan, including: ▪ PG&E Corporation ▪ Pacific Gas and Electric Company ▪ PG&E Corporation Support Services, Inc. ▪ PG&E Corporation Support Services II, Inc.
Plan Name	PG&E Corporation Retirement Savings Plan for Union-Represented Employees (formerly called the Pacific Gas and Electric Company Savings Fund Plan for Union-Represented Employees).
Plan Number	001002
Plan Type	Defined contribution stock bonus plan with an employee stock-ownership plan component and a cash or deferred arrangement designed to qualify under section 401(k) of the Internal Revenue Code (IRC) and meet ERISA section 404(c).
Plan Year	1/1–12/31

Plan Administrator	The Plan Administrator for the Plan is: The Employee Benefit Committee (EBC) of PG&E Corporation c/o PG&E Corporation 1850 Gateway Boulevard, 7025C Concord, CA 94520 415-973-4537 or 800-788-2363
Plan Trustee, Insurance Issuer and/or Third-Party Administrator	Plan Trustee: Fidelity Management Trust Company c/o Administrative Team for PG&E Corporation Retirement Savings Plan for Union-Represented Employees Fidelity Investments 82 Devonshire Street Boston, MA 02109
Discretionary Authority	The Plan Administrator has oversight responsibility for the administration of the Plan which includes maintaining records, and making rules, computations, interpretations and decisions that may be necessary for administration of the Plan. The Plan Administrator has the discretionary authority to interpret, construe, and define the terms of the Plan.
Agent for the Service of Legal Process	If you wish to take legal action after exhausting the applicable claims and appeals procedures, a lawsuit may be served on the Plan Administrator. Process may also be served on the Plan Trustee (see the row titled “Plan Trustee, Insurance Issuer and/or Third-Party Administrator” in this table for the address). Service should be directed to: Corporate Secretary Pacific Gas and Electric Company 77 Beale Street, 24th floor Mail Code B24W San Francisco, CA 94105
Collective Bargaining Agreement	The Plan is maintained pursuant to multiple collective bargaining agreements. A copy of the agreements may be obtained by respective members and beneficiaries upon written request to: Human Resources – Labor Relations 245 Market Street, MC N2Z San Francisco, CA 94105

Contacts

This section provides addresses, plan numbers, phone numbers, and website addresses so you can contact the organizations that manage or administer the retirement benefit plans.

If You Have Questions
If you have any questions about your benefit options, dependent eligibility or any other benefits, you can send an email to the HR Service Center at hrbenefitsquestions@exchange.pge.com, or you can contact the HR Service Center at Company extension 8-223-4357, externally at 415-973-HELP or toll-free at 800-788-2363.

Plan	Group No.	Phone No.	Web Site	Address
Retirement Savings Plan —401(k) Administered by Fidelity	Plan No.: 001 EIN: 94-3234914	877-743-4015 Hours: 5:30 a.m. – 9 p.m. Pacific time M – F	www.401k.com	
Financial Engines	Plan No.: 001 EIN: 94-3234914	877-743-4015 (ask for Financial Engines) Hours: 6 a.m. – 6 p.m. Pacific time M – F	www.401k.com (click the Financial Engines link)	
Retirement Plan — Pension Administered by PG&E	Plan No.: 001 EIN: 94-0742640	800-788-2363 or 415-973-4357 (ask for Retirement) Hours: 7:30 a.m. – 5 p.m. Pacific time M – F	www.pge.com/benefitspge	Email: hrbenefitsquestions@exchange.pge.com

Description of the PG&E Corporation Stock Fund

Offered Through

The PG&E Corporation Retirement Savings Plan

and

The PG&E Corporation Retirement Savings Plan for Union-Represented Employees

June 1, 2013

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.

Introduction

This document describes the PG&E Corporation Stock Fund, an investment fund offered to participants in the PG&E Corporation Retirement Savings Plan and the PG&E Corporation Retirement Savings Plan for Union-Represented Employees (the "Plans"). The Plans offer eligible employees of PG&E Corporation, its subsidiary, Pacific Gas and Electric Company, and other affiliated subsidiaries, a tax-advantaged way to save for retirement. The Plans are intended to qualify under §401(a) of the Internal Revenue Code. The Plans are also intended to satisfy the requirements of §404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including all applicable regulations issued by the United States Department of Labor and the United States Treasury Department. Participants in the Plans are entitled to certain rights and protections under ERISA, as described in the summary plan descriptions.

The assets of the Plans are held under a master trust maintained by Fidelity Management Trust Company ("Fidelity"). PG&E Corporation Employee Benefit Committee, the Plan Administrator of the Plan, has prepared a summary plan description, dated January 1, 2013, for each Plan that contains information about the respective Plan. These summary plan descriptions are incorporated by reference into this document as if the terms of each summary plan description were contained in this document. If there is any inconsistency or conflict between the summary plan descriptions and this document, the provisions of the summary plan descriptions shall control.

Participants in the Plans have a number of investment options for building individual investment portfolios to achieve their retirement savings goals. As described in the summary plan descriptions, participants' investment options are structured in three tiers:

- Tier 1: Target Date Funds
- Tier 2: Core Funds
- Tier 3: Self-Directed Account (Fidelity BrokerageLink)

Investment information, including the descriptions of the Tier 1 and Tier 2 funds, and investment performance for each fund, can be found by logging on to Fidelity NetBenefits℠ online account services at www.401k.com or by calling Fidelity's RSP Service Center at 1-877-PGE-401K (1-877-743-4015). The fund description and information regarding investment performance for each Tier 1 and Tier 2 fund, including the fund description of the PG&E Corporation Stock Fund, are incorporated by reference into this document. In order to participate in Tier 3, the self-directed account, participants must first establish a Fidelity BrokerageLink account. Information regarding the investments available through a participant's Fidelity BrokerageLink account is available through Fidelity BrokerageLink.

The PG&E Corporation Stock Fund

The PG&E Corporation Stock Fund (the "Fund") is an investment fund within the Tier 2: Core Funds. The Fund is designed to provide participants the opportunity to invest in PG&E Corporation common stock. PG&E Corporation common stock is listed on the New York Stock Exchange ("NYSE") and trades under the symbol "PCG." On May 31, 2013, the closing price of a share of PG&E Corporation common stock on the NYSE was $44.91. The Fund primarily holds PG&E Corporation common stock, along with a small amount of short-term investments that is held to provide the liquidity needed to accommodate participants' buy and sell orders on a daily basis. All matching employer contributions, as described in the summary plan description for each plan, are initially invested in the Fund. More information about applicable fees and investment performance appears in description of the Fund referred to above.

Under the accounting method used for the Fund, each participant owns units of the Fund rather than shares of stock. Each unit represents a proportionate interest in the PG&E Corporation common stock held by the Fund as well as a small amount of the Fund's short-term investments. Each day the value of a Fund unit is adjusted to reflect the change in the NYSE closing price of a share of PG&E Corporation common stock, any dividend activity, and the amount earned on the Fund's short-term investments. As described below, dividends on PG&E Corporation common stock can be paid directly to Fund participants or can be used to purchase additional Fund units. (See "Dividends on PG&E Corporation Common Stock" below).

The Fund is not diversified and effectively invests in a single security. As a result, the Fund's returns will be driven principally by the performance of PG&E Corporation common stock. The Department of Labor and the Internal

Revenue Service advise that if you invest more than 20% of your retirement savings in any one company or industry, such as the PG&E Corporation Stock Fund, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk. Be sure to review this document and the documents incorporated by reference, including the Fund description, for more information before making your investment decision.

As of June 1, 2013, 21,336,513 shares of PG&E Corporation common stock remained available for offer and sale under the Plans. The shares available for offer and sale in the Fund can be shares that are newly issued by PG&E Corporation or shares purchased on the open market by Fidelity, as the trustee of the Fund, as directed from time to time (but not more frequently than once in any three-month period) by the PG&E Corporation Employee Benefit Plan Committee.

Dividends on PG&E Corporation Common Stock

Participants who hold units in the Fund on the record date for the payment of a dividend on PG&E Corporation common stock may elect to:

- Reinvest the dividends in additional units in the Fund,
- Receive the dividends in cash, or
- Choose a combination of both.

Unless participants instruct Fidelity to pay the dividends in cash, dividends will be reinvested in additional units of the Fund. Once made, this election remains in effect until changed. Participants may change their dividend election each quarter. Dividends are payable only with respect to an investment in the Fund made at least 3 business days before the dividend record date.

Dividend Reinvestment. Participants do not need to do anything to have all of their dividends reinvested.

Dividends Paid in Cash. If a participant would like to receive all or a portion of their dividends in cash, the participant must notify Fidelity at least 11 business days before dividends are paid, excluding NYSE holidays. Participants may specify the portion of dividends to be paid in cash in 1% increments. To make a dividend election, participants must call Fidelity's RSP Service Center at 1-877-PGE-401K (1-877-743-4015).

Taxes. Dividends that are reinvested in additional units of the Fund are not taxed until withdrawn. Dividends that a participant has elected to receive in cash are subject to federal and state income taxes in the year in which the dividends were paid. (The provisions of federal or state law regarding penalty taxes on early distributions from defined contribution plans will not apply to the receipt of cash dividends.)

Voting Rights

Participants who hold Fund units will have the right to vote the proportionate shares of PG&E Corporation common stock held in the Fund that are credited to their account as of the record date for the meeting of PG&E Corporation shareholders. The trustee will send participants the proxy solicitation material issued by PG&E Corporation along with a form to be completed by participants and returned to the trustee to provide confidential voting instructions to the trustee.

Monitoring and Making Changes to Your Investments

Because participants' investment objectives and financial needs change over time, it is important that participants have the flexibility and tools to review their account activity and modify their investments periodically.

You may log onto Fidelity NetBenefits℠ at www.401k.com or contact Fidelity's RSP Service Center by calling 1-877-PGE-401K (1-877-743-4015) to transfer (exchange) money you have accumulated in the Plan among the various Tier 1 and Tier 2 investment fund options, including the PG&E Corporation Stock Fund. Before initiating an exchange, it is recommended that you carefully review the relevant investment fund descriptions to understand the investment fund characteristics, investment performance, and any restrictions on the frequency of exchanges.

Although matching employer contributions are automatically invested in the PG&E Corporation Stock Fund, participants may reallocate matching employer contributions and accumulated earnings thereon to another investment fund or funds. Participants may also reallocate employee contributions and accumulated earnings thereon that are invested in another investment fund to the PG&E Corporation Stock Fund.

Fidelity will process requests to sell PG&E Corporation Stock Fund units for exchanges, withdrawals, distributions, and loans provided that there are enough short-term investments in the Fund for liquidity. In the unusual event that there are not enough short-term investments for liquidity, requests to sell units will be suspended. As long as the PG&E Corporation Stock Fund remains open and participants have not cancelled the transaction, their requests to sell units will be processed, generally on a first-in-first-out basis, as liquidity is restored in the Fund. Loans and withdrawals will be given priority over exchanges. If a transaction involves a suspended sale of PG&E Corporation Stock Fund units, the entire transaction will be suspended, including the corresponding purchase transaction. Participants will receive the net asset value on the processing date.

Participants who have requested transactions requiring the sale of PG&E Corporation Stock Fund units will need to check their account the following business day to determine whether their request has been processed.

Withdrawals of PG&E Corporation Stock

For any withdrawal of contributions and earnings invested in the PG&E Corporation Stock Fund, participants may have the total amount converted to whole shares of PG&E Corporation common stock or the withdrawal may be paid in cash. A participant who withdraws PG&E Corporation common stock from the Fund will be liable for income taxes on the cost basis of each Fund unit. The cost basis is the average purchase price for all of the participant's units. If the participant later sells the withdrawn shares the participant will be liable for income taxes on the difference between the cost basis of the units and the sale price. The income will be subject to the capital gains tax rate if the participant held the shares for at least one year before sale.

Federal Securities Laws

Trades out of or into the PG&E Corporation Stock Fund (as well as the sale of shares of PG&E Corporation common stock withdrawn from the Fund) are subject to the prohibition against insider trading. If you are aware of "inside" information (i.e., information that would be important to an investor, but which has not yet been made public), you are prohibited by federal securities laws and PG&E Corporation's Insider Trading Policy from trading in the PG&E Corporation Stock Fund (and from selling the withdrawn shares) until the information has been publicly disseminated.

Under the Federal securities laws, Plan participants who are deemed to be "affiliates" of PG&E Corporation may not sell shares of PCG common stock acquired under the Plan unless such shares are registered under the Securities Act of 1933, as amended, for the purpose of such sale or are sold pursuant to an exemption from registration. Rule 405 under the 1933 Act defines "affiliates" as persons who, directly or indirectly, through one or more intermediaries, control or are controlled by, or are under common control with, an issuer of securities. Participants who are considered "affiliates" of PG&E Corporation may generally resell their shares of PG&E Corporation common stock in compliance with Securities and Exchange Commission Rule 144. Plan participants who are not affiliates generally may reoffer or resell shares of PCG common stock acquired under the Plan without restriction.

Executive officers of PG&E Corporation are subject to additional restrictions with respect to transactions involving PG&E Corporation common stock, including transactions in the PG&E Corporation Stock Fund, in order to ensure compliance with Section 16 of the Securities Exchange Act of 1934 ("Exchange Act").

Direct Rollovers

Although an in-kind distribution of PG&E Corporation common stock may be an eligible rollover distribution from the Plans, some IRAs and qualified retirement plans may not accept rollovers of stock certificates. Before requesting a direct rollover of stock certificates, you must verify with the recipient IRA trustee or plan administrator that the IRA or plan will accept a direct rollover of stock certificates.

Incorporation of Certain Documents by Reference

PG&E Corporation files annual, quarterly, and current reports, information statements and other information with the Securities and Exchange Commission ("SEC"). These SEC filings are available to the public over the Internet at the SEC's website at www.sec.gov. You may also read and copy any of these SEC filings at the SEC's public reference room at 100 F Street NE, Room 1580, Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for further information on its public reference room. The documents filed by PG&E Corporation with the SEC are also available on PG&E Corporation's website at www.pgecorp.com under the "Investors" tab.

PG&E Corporation has filed a registration statement with the SEC relating to the offer and sale of PG&E Corporation common stock under the Plans through participants' investments in the Fund. The registration statement also covers the offer and sale of an indeterminate number of participant interests in the Plans. Certain documents that PG&E Corporation and the Plans have filed with the SEC are incorporated by reference into the registration statement and into this description of the PG&E Corporation Stock Fund, including:

- PG&E Corporation's latest annual report on Form 10-K filed pursuant to Section 13(a) of the Exchange Act;
- All other reports filed by PG&E Corporation pursuant to the Exchange Act since the end of the fiscal year covered by PG&E Corporation's latest annual report on Form 10-K;
- The latest annual report on Form 11-K filed by the Plans; and
- The description of PG&E Corporation's common stock in PG&E Corporation's Registration Statement on Form 8-B dated December 23, 1996, including any amendment or report filed for the purpose of updating such description.

In addition, certain reports and documents that PG&E Corporation and the Plans will file in the future with the SEC under Section 13(a) or Section 14 of the Exchange Act before the filing of a post-effective amendment to the registration statement, which indicates that all securities offered thereunder have been sold, or which deregisters all securities then remaining unsold, will be incorporated by reference into the registration statement and this description of the PG&E Corporation Stock Fund and will be deemed to be a part thereof as of the date such documents and reports are filed with the SEC.

Copies of the documents incorporated by reference, as well as copies of PG&E Corporation's latest annual report to shareholders and other communications sent to shareholders, are available without charge upon oral or written request to:

PG&E Corporation
Corporate Secretary
77 Beale Street, 24th floor
Mail Code B24W
San Francisco, CA 94105