

PG&E, San Francisco and Golden Gate Energy Combine Efforts to Explore Tidal Power Options in SF Bay

Tidal energy is newest renewable energy resource identified by PG&E to provide clean power and address global warming

SAN FRANCISCO, June 19 /PRNewswire-FirstCall/ -- In support of ongoing efforts to increase California's renewable power supplies and address climate change, Pacific Gas and Electric Company today signed an agreement with the City and County of San Francisco and the Golden Gate Energy Company to conduct the most comprehensive study yet undertaken to assess the possibilities for harnessing the tides in San Francisco Bay to create a new source of zero- emissions, renewable electric power for California energy customers.

The multifaceted study, the initial phases of which will begin this summer and are estimated to take approximately twelve months will include thorough analyses of the Bay's energy potential, the existing and emerging technologies to capture energy from tidal flows, the possible environmental impacts associated with such a project, as well as the economic feasibility and other costs and benefits of tapping this new energy supply. If findings in the initial rounds of research affirm the feasibility and promise of tidal power, future plans could ultimately lead to the development of a full-scale commercial project.

The study effort will bring together and draw on the combined resources and expertise of PG&E, CCSF and Golden Gate Energy. Specifically, PG&E is committing to provide up to \$1.5 million to fund research by third-party experts, dovetailing with up to \$346,000 contributed by CCSF for feasibility studies and stakeholder outreach. Golden Gate Energy, which currently holds key federal regulatory permits necessary to study the San Francisco Bay location, will work cooperatively to support the effort.

"Exploring the potential for harnessing the tides in the Golden Gate to deliver new supplies of clean power to our customers is one of the most exciting renewable energy possibilities being explored anywhere in the world today," said PG&E Chief Executive Officer Tom King. "This effort epitomizes the kind of collaborative initiative and innovation that PG&E is committed to, and it's another important way that we are working to lead the energy industry in order to meet clean energy challenges, including climate change."

San Francisco Mayor Gavin Newsom, who has made alternative energy a priority for his administration, called the partnership "an historic day for San Francisco Bay." The mayor said, "With our own Climate Action Plan that exceeds the Kyoto Protocols, San Francisco is among the most environmentally progressive cities in the country, if not the world. The partnership that we're announcing today significantly advances our goal to be a global environmental leader and innovator. I am proud to be working with PG&E and

Golden Gate Energy. We all agree that it is imperative that we develop new alternative energy sources like tidal energy."

In addition to being clean and renewable, tidal power offers the advantage of being highly predictable and reliable. In addition, tidal power technology would be situated on the sea floor, avoiding the land-use and visual impact considerations associated with many other forms of power generation. In a 2006 study, the Electric Power Research Institute identified San Francisco Bay as one of the world's most abundant potential resources for electricity generation using tidal power technology.

If the study results were to support the development of a project, the undertaking would require governmental regulatory review and approval, including public participation. As a result, the parties estimate that operation of a project would be at least three to five years away.

PG&E's exploration of tidal energy sources supports the company's existing efforts to aggressively increase supplies of renewable energy for its customers. PG&E is currently adding renewable electric power resources at a planned rate of more than 300 megawatts per year. This year, the company has entered into new agreements to purchase 274 megawatts of wind, solar, geothermal and other form of renewable energy. In addition to exploring the potential of tidal power, PG&E is working to harness energy from the waves off the coasts of Mendocino and Humboldt Counties.

Pacific Gas and Electric Company already delivers some of the cleanest energy of any large utility in the nation. The utility currently obtains 13% of its energy from qualifying renewable sources under California's Renewable Portfolio Standard (RPS), including solar, wind, biomass, geothermal, and small hydroelectric. In addition, more than 50% of the electricity that PG&E delivers to its customers comes from generating resources that emit no or low carbon dioxide, the primary contributor to global warming.

For more information about Pacific Gas and Electric Company, please visit the company's web site at <http://www.pge.com/>

First Call Analyst:
FCMN Contact: llj0@pge.com

Source: Pacific Gas and Electric Company

CONTACT: PG&E News Department, +1-415-973-5930

Web site: <http://www.pge.com/>

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