

NEWS RELEASE

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For Immediate Release

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IBEW Statement on PG&E Bankruptcy

(Washington, D.C.) -- In response to the bankruptcy announcement made by Pacific Gas and Electric, Edwin D. Hill, International President of the International Brotherhood of Electrical Workers (IBEW), issued the following statement.

"Pacific Gas and Electric's filing for bankruptcy could make a dire situation in California even worse. On behalf of the 13,500 IBEW Local Union 1245 members employed by PG&E and the public they serve, we believe it is imperative that constructive action be taken now.

"Specifically, we call on the Federal Energy Regulatory Commission (FERC) to stop dragging its feet and impose price controls on the wholesale electricity market in California. It is obvious that price gouging by wholesale suppliers has bled dry the investor-owned utilities and precipitated this crisis. The state has purchased power in an effort to prop up the system, but it too has paid the same inflated prices. This only threatens California's budget surplus and places an unfair burden on taxpayers while doing nothing to address the root of the problem.

"We also believe that it is time for government and industry to work together to jump start projects to improve the interconnected transmission grid in the Western states so that power can be quickly and efficiently moved to where it is needed. Prompt action on such projects could have helped alleviate the current problems, and they should commence with all due speed.

"Another factor that has driven the crisis is the lack of adequate generation facilities to power

the growth of California and other Western states. We urge the Western Governors Association to take the lead in helping to chart a course that will bring more facilities on line and provide short and long term solutions to these difficulties.

"Even though we have been assured that PG&E employees will still be paid, and we know that their pensions are protected by law, we will fight to ensure that our collective bargaining rights are honored during this process. We will work with our Local Union 1245, utility management, Governor Davis and all other parties to restore sanity and reliability to California's gas and electricity systems."