FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 1248

Date Filmed 11/14/80 Camera No. --- 2

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PS Form 3811, Jan. 1979

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
- ☐ Show to whom and date delivered. ..... ___¢
- ☐ Show to whom, date and address of delivery. ... ___¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered. ..... ___¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $___

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
William B. Hancock
523 Sutter St, No. 910
San Francisco, CA 94102

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	946972	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY
OCT 24 1980

POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆GPO : 1979-289-848

1248 Sterling

PS Form 3811, Jan. 1979

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
- ☐ Show to whom and date delivered. ..... ___¢
- ☐ Show to whom, date and address of delivery. ... ___¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered. ..... ___¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $___

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Malcolm H. Furbush, Esq.

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	946970	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY
OCT 24 1980

POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆GPO : 1979-289-848

MUR-1248 Sterling

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 20, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Malcolm H. Furbush, Esq.
Vice President and General
Counsel
Pacific Gas and Electric Company
Law Department
77 Beale Street
San Francisco, CA 94104

Re: MUR 1248

Dear Mr. Furbush:

On June 16, 1980, the Commission notified you of a complaint alleging that Pacific Gas and Electric Company may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission on October 16, 1980, determined that on the basis of the information in the complaint and information provided by you that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

00040023493

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Malcolm H. Furbush, Esq.
Vice President and General
Counsel
Pacific Gas and Electric Company
Law Department
77 Beale Street
San Francisco, CA 94104

Re: MUR 1248

Dear Mr. Furbush:

On , 1980, the Commission notified you of a complaint alleging that Pacific Gas and Electric Company may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission on , 1980, determined that on the basis of the information in the complaint and information provided by you that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

V.L.
10/20/80

00002234994

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 20, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William B. Hancock
523 Sutter St., No. 900
San Francisco, CA 94102

Re: MUR 1248

Dear Mr. Hancock:

The Federal Election Commission has reviewed the allegations of your complaint dated June 10, 1980 and determined that on the basis of the information provided in your complaint that there is no reason to believe that a violation of the Federal Election Campaign Act of 1971 as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code has been committed.

Accordingly, the Commission has decided to close the file in this matter.

Should additional information come to your attention which you believe establishes a violation of the Act, please contact Victor Sterling, the attorney assigned to this matter at 523-4175.

Sincerely,

Charles N. Steele
General Counsel

00040023495

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1248
Pacific Gas and Electric Company	)	
(PG&E)	)	
PG and E Good Government Fund	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on October 16, 1980, the Commission decided by a vote of 6-0 to take the following actions regarding MUR 1248:

1. Find NO REASON TO BELIEVE that respondents violated 2 U.S.C. § 441b(b)(3)(A).

2. Send the letters as attached to the First General Counsel's Report dated October 10, 1980.

3. CLOSE THE FILE and take no further action.

Voting for this determination were Commissioners Aikens, Friedersdorf, Harris, McGarry, Reiche, and Tiernan.

Attest:

10/16/80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Received in Office of the Commission Secretary: Friday, 10-10-80, 4:48
Circulated on 48 hour vote basis: Tuesday, 10-10-80, 11:00

0 0 0 0 2 3 4 9 6

October 10, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1248

Please have the attached First GC Report distributed to the Commission on a 48 hour tally basis. Thank you.

80040223497

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

FIRST GENERAL COUNSEL'S REPORT

80 OCT 10 P4: 48

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION 10-10-80

MUR # 1248
DATE COMPLAINT RECEIVED
BY OGC June 16, 1980

STAFF MEMBER Sterling

COMPLAINANT'S NAME: William B. Hancock

RESPONDENT'S NAME: Pacific Gas and Electric Company (PG and E)
PG and E Good Government Fund

RELEVANT STATUTE: 2 U.S.C. § 441b(b)(3)(A)

INTERNAL REPORTS CHECKED: Reports of PG and E Good Goverment Fund

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

Complainant, a former employee of PG and E, alleges that during the years 1974 through 1977 his then supervisor forced him to contribute to the company's separate segregated fund, the PG and E Good Government Fund.

FACTUAL AND LEGAL ANALYSIS

Complainant alleges that during the period from 1974 through 1977 he was forced to contribute $100 dollars per year at a rate of $10 per month to the PG and E Good Government Fund by his division manager, Mr. John Black, who died in October 1977. He also alleges that Mr. Walter J. Farrell collected the forced contributions. In support of the allegations, he submitted one page of a disclosure report apparently filed with the California Secretary of State by the Fund which indicates that a number of PG and E employees contributed $100 during the period from January 1, 1977 through May 22, 1978; it should be noted that not all individuals contributed $100 and the document is a continuation of what appears to be a substantial disclosure report. The complainant later submitted copies of his own notes which he claims show that other employees contributed varying amounts to the fund. He submitted no evidence to support his claim that Black forced him or others to contribute, nor did he name witnesses, except to advise that "retirees would be willing to confirm the $100 pattern."

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PG and E has denied that the complainant or any employee had been coerced into contributing to the Good Government Fund. In support of its denial PG and E submitted an extensive response which includes copies of Good Government Fund solicitations distributed to employees during the period in question. The solicitation emphasizes that participation is voluntary. 1/ PG and E also submitted affidavits from 19 of its employees, including an affidavit from Walter J. Farrell, the alleged "bag man", and one from William McCandless, a retired employee. Each affidavit contains a denial of coercion by the company or knowledge of coercion of other employees to contribute to the Fund.

PG and E also submitted copies of documents authored by the complainant and filed with other governmental agencies. Specifically, he has complained about various aspects of the company's operations to the 1) California Secretary of State, 2) California's Attorney General, 3) California's Fair Political Practices Division, and 4) California's Public Utilities Commission. In one document addressed to employees of PG & E, complainant's allegations range from a discussion of his divorce suit to a charge that the company owed him 1.5 million dollars for a suggestion he made.

1/ See Exhibits A and B attached to Langley affidavit. The solicitation distributed from 1974 through July 1976 (Exhibit A) contains the following language with respect to the amounts of contributions:

> IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?
>
> There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. However, for convenience in handling, if you are writing a check (rather than using payroll deduction) or asking the Fund to serve as intermediary for a check to a specific candidate's campaign, the minimum amount should be $10.00. If you join via payroll deduction, you can request that any amount be withheld each month.
>
> In 1974, a total of 757 employees participated in the FUND: 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

The summary was amended in August 1976 to delete the $10 minimum for check contributions. (Exhibit B) Counsel for PG and E indicates that this provision was never enforced and that a total of 921 checks for less than ten dollars were accepted from 1974 through 1976. See letter from Joseph Kelly dated August 29, 1980.

Based on the company's response and the documentation, there is no evidence that PG and E coerced employees to contribute to the Fund. The guidelines provided to the employees make it clear that neither participation nor non-participation nor the amount of contribution will affect an employee's job status. Although at one time there was an unenforced minimum requirement of ten dollars if a check was used, employees were free to contribute less than ten dollars by using payroll deduction as the mode of payment. PG and E produced numerous affidavits to the effect that John Black did not coerce employees to contribute; the complainant provided neither witnesses nor documentary evidence to support his allegations. Although the complainant did submit exhibits indicating that employees tended to contribute approximately $20 per month to the fund and PG and E indicates in its solicitations that the average donation is approximately $25 per month, there is no evidence that this uniformity was the result of coercion. Complainant suggests that retired employees of the Division be contacted because current employees would be reluctant to admit that they were forced to give to the Fund. However, in light of the signed and sworn statements of the current employees and one retired employee, it does not seem advisable to pursue this matter further.

RECOMMENDATIONS

It is recommended that the Commission:

1. Find no reason to believe that respondents violated 2 U.S.C. § 441b(b)(3)(A).

2. Send the attached letters.

3. Close the file and take no further action.

Attachments

1. Complaint
2. Response of respondent with attachments referred to in report. A complete copy of the response is with the Commission's Secretary.
3. Letters (2)

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Sterling

909906

RECEIVED GCC#2492

PACIFIC GAS AND ELECTRIC COMPANY

PG&E

77 BEALE STREET, 31ST FLOOR • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211

80 SEP 2 A10:32

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VICE PRESIDENT AND GENERAL COUNSEL

ROBERT OHLBACH
ASSOCIATE GENERAL COUNSEL

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HOWARD V. SOLUS
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EDWARD J. McGANNEY
DAN GRAYSON LUDDOCK
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J. MICHAEL REIDENBACH
IVOR E. SAMSON
SUE ANN LEVIN SCHIFF
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GARY P. ENGINAS
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PATRICK S. GOLDEN
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MERRS E. LIPSON
JESSICA LOBING
A. KIRK MCKENZIE
RICHARD L. MEISS
ROBERT J. PETERS
ROBERT R. RIGLETT
SHIRLEY A. SANDERSON
JO ANN SHAFFER
LEWIS E. VINCENT
SHIRLEY A. WOO
KENNETH YANG

ATTORNEYS

August 29, 1980

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20463

Attention: Victor Sterling, Esq.

RE: MUR 1248

Dear Mr. Steele:

The enclosed summary is forwarded to you at the request of Victor Sterling of your office.

Mr. Sterling asked that I also furnish a background statement with regard to the portion of the March, 1975 summary which, on page 2, specified a minimum amount in those cases when a contribution to the Fund was made by a check rather than by payroll deduction. This provision was included because of a concern that the administrative expense of processing checks for small amounts would not be cost-effective. It was found, however, that employees nevertheless contributed below the stated $10 minimum and that, contrary to earlier expectations, the cost of processing such checks was not unduly burdensome. No checks were ever refused because of their amount.

80 SEP 2 A11:22

RECEIVED GENERAL COUNSEL

0004023501

1-1 Attachment I

On August 1, 1976, the Fund issued a revised summary (see enclosed) updating various provisions thereof and deleting the portion on page 2 discussed above. This language was omitted because the concern regarding the receipt of inordinately small checks proved to be unfounded, the cost of processing checks of less than $10 was not significant, and the provision was never adhered to in practice. In fact, the Fund has never returned a contribution because of its size. In 1974 the Fund accepted 19 checks in amounts of less than $10, in 1975 the Fund accepted 493 checks in amounts of less than $10, and in 1976 the Fund accepted 409 checks in amounts of less than $10.

If you should have any further questions with regard to this matter, please do not hesitate to contact me.

Very truly yours,

Joseph I. Kelly

JOSEPH I. KELLY

JIK:cr
Encl.

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THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September, 1974, as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates and official committees of political parties on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Customer Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and federal office and official committees of political parties; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates and committees should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns and official committees of political parties at the discretion of the Managing Committee.

---

* A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P.O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106. All contributions to the Good Government Fund are subject to the limitations specified under Federal law.

8-1-76

(2) Employees who prefer to designate the candidate or committee to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign or committee they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign or committee on behalf of the employees.

Participation in the GOOD GOVERNMENT FUND is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

WHO MAY PARTICIPATE IN THE GOOD GOVERNMENT FUND?

Any employee who is a PGandE shareholder, or whose spouse is a PGandE shareholder, may participate in the FUND (members of the Company's Saving Fund Plan are Company shareholders). Under federal law, however, an employee who is not a shareholder and whose spouse is not a shareholder may not participate in the FUND if he or she is (a) a "non-exempt" employee (that is, subject to the Fair Labor Standards Act), (b) an "exempt" employee who is a member of labor organization, or (c) a foreman who directly supervises "non-exempt" employees. Employees other than these may participate in the Fund. whether or not they are shareholders.

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1975, a total of 1110 employees participated in the FUND; 1050 contributed directly to it, and 60 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates and committees. Of the 1050 who gave directly to the FUND, the average donation was approximately $18.50.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates and committees. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

If you utilize the FUND as an intermediary for contributions made payable directly to individual federal candidates or committees, it will be necessary for the FUND to itemize your name, street address, and the identity of the federal candidate or committee to whom you contributed, regardless of the amount of the contribution. If the contribution is over $100, it will also be necessary to itemize your occupation and employer (PGandE, PGT, StanPac, or PSEA). This information will also be disclosed in the recipient campaign committee's disclosure statement.

Under California state law, the FUND has no obligation to disclose in its public filings any information when it serves as an intermediary. However, in the spirit of disclosure, the FUND has adopted the policy of listing each state and local candidate or committee to which it transmitted contributions as an intermediary, together with the total amount contributed. The FUND does not list the names of the individual contributors for whom it served as intermediary for checks made payable to state and local candidates or committees, but the recipient candidate or committee probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates and official committees of political parties, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1976 federal taxes (payable in 1977), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1976 California state income taxes (payable in 1977) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return, provided that each party to the joint return contributes at least $100), but there is no tax credit.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through their personal checking accounts. Contributions to official ballot measure campaign committees, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a candidate's political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1975, the average FUND donation to candidates was less than $200).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribution to it and the candidates and committees to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

0004022507

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new _____ revised _____ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

Job Classification _____

I am _____ am not_____ a PGandE shareholder (members of the Savings Fund Plan are PGandE shareholders).

8-1-76

PACIFIC GAS AND ELECTRIC COMPANY

PG&E

77 BEALE STREET, 31ST FLOOR • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211

MALCOLM H. FURBUSH
VICE PRESIDENT AND GENERAL COUNSEL

ROBERT OHLBACH
ASSOCIATE GENERAL COUNSEL

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JOHN B. GIBSON
ARTHUR L. HILLMAN, JR.
CHARLES W. THISSELL
DANIEL E. GIBSON
ASSISTANT GENERAL COUNSEL

SENIOR COUNSEL

ATTORNEYS

July 9, 1979

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20463

Attention Kevin Smith, Esq.

Re: MUR 1248

Dear Mr. Steele:

Pursuant to your letter of June 18, 1980, and Code of Federal Regulations section 111.6, respondents Pacific Gas and Electric Company ("PGandE") and the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") submit this response to Mr. Hancock's complaint of June 10, 1980.1/ Three additional copies of this response are provided. Please conform and mark received one of the copies and return it to me in the enclosed envelope. The other two copies are provided for your convenience.

It is respondents' position that the the Commission should take no action in the matter, since Mr. Hancock has not stated a case against respondents and since the respondents have not violated the Federal Election Campaign Act of 1971 as amended or Chapter 95 and 96 of Title 26 of the United States Code.

INTRODUCTION

a. The Company

PGandE is an operating public utility engaged principally in the business of supplying electric and natural gas service throughout most of northern and central California, a

Attachment 2

territory with an estimated population of approximately 9,271,000. As of December 31, 1979, the Company served approximately 3,366,000 electric customers and 2,805,000 gas customers.

PGandE was incorporated in California in 1905. Its principal executive offices are located at 77 Beale Street, San Francisco, California 94106.2/ Over 26,000 persons are currently employed by PGandE and its subsidiaries, of which approximately 6,000 are exempted from the Fair Labor Standards Act.3/

b. The Fund

The Fund was formed in September of 1974 and was initially designed to support only local and state candidates.4/ In May of 1975, the Fund registered pursuant to federal law and has, since then, also supported federal candidates.5/ Between 1974 and 1979, the number of employees participating in the Fund ranged between a low of 804 in 1974 and a high of 1,051 in 1975. During the same five-year period, total annual receipts were between a low of $21,717 (in 1974) and a high of $28,754 (in 1976).6/ Since its inception, it has been governed by a three-member Managing Committee composed of Joseph Y. DeYoung, Ellis B. Langley, Jr., and F. A. Peter, all of whom are officers of PGandE. The Managing Committee is charged with the responsibilities of establishing and operating the Fund. It has established procedures and policy for solicitations, collections, reporting, and disbursing of funds.7/

COMPLAINANT'S ALLEGATIONS

In his complaint, Mr. Hancock states that "During the years 1974 through 1977, I was forced to contribute to the 'Good Government Fund' by the Division Manager, John H. Black, since deceased." He also states that he was ordered (presumably by Mr. Black) to contribute $100.00 per year and that a similar pattern can be found throughout the Company.8/

RESPONDENT'S REPLY

The gravamen of Mr. Hancock's complaint is that during a three-year period, involving the years 1974 through 1977, he was forced to contribute to the Good Government Fund by John H. Black, who, after a prolonged illness which disabled him for many months, died on October 12, 1977.9/ Mr. Black is not alleged to have been, nor in fact was he at anytime, a member of the Fund's Managing Committee.10/ There is no allegation that the alleged coercive practice continued past Mr. Black's death (although Mr. Hancock was employed by PGandE until mid-1979).

Additionally, while he has recently filed a number of complaints with governmental agencies (infra.), there is no allegation that Mr. Hancock complained to any PGandE officer, manager, or employee, or any member of the Managing Committee of the Fund, or any person connected with the Fund, about such alleged coercion.

The first indication of any complaint by Mr. Hancock of alleged coercive activity appears to be contained in his attempt to have the San Francisco District Attorney take action in July and August of 1979. (See Mr. Hancock's August 12, 1979, letter to Mr. Richard Miller, attached to this complaint, with copies to the Political Reform Division of the California Secretary of State; California Attorney General; and the California Fair Political Practices Commission). Thereafter, on March 3, 1980, Mr. Hancock filed a lengthy complaint with the California Public Utilities Commission itemizing numerous allegations against the Company, including allegations concerning the Good Government Fund (pages 19-20).11/ Subsequently, Mr. Hancock issued a written communication dated May 21, 1980, addressed to "Dear Ex Fellow Employee" itemizing various complaints against the Company, including his allegation that he was "forced by John Black to give $100 per year to the Good Government fund, plus $25.00 to Terry Francios, which I am told is a criminal offense."12/

The record clearly indicates that, since its inception, the stated policy of the Fund has been based wholly upon the voluntary participation by eligible employees. Participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment.13/ No member of the Managing Committee has ever secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals,14/ and, until they were informed of Mr. Hancock's recent complaints, none has ever been advised of any such practice by Mr. Black or anyone else during the nearly six years that the program has been operating.15/

Written documentation attesting to the voluntary nature of the program has been made available to eligible employees since the inception of the program and clearly advises that: "Participation in . . . the Good Government Fund . . . is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment."16/ It is, and has always been, the policy of the Fund to provide a copy of the most recent version of the written solicitation to eligible employees.17/ Mr. Black received a copy of this written solicitation statement even before the Fund was expanded to include federal candidates.18/ Mr. Farrell (mentioned by Mr. Hancock) provided a copy to the San Francisco Division Council.19/

While respondents cannot discuss Mr. Hancock's allegations with Mr. Black (deceased), the record clearly indicates that at no time did he or any of his successors violate the Company and Fund policy that participation in the Fund be based solely upon voluntary participation by eligible employees. Neither of Mr. Black's successors have ever secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, or reprisals;20/ and until they were advised of Mr. Hancock's recent complaint, neither had ever been advised of any coercion by Mr. Black or anyone else during the nearly six years that the program has been operating.21/ In addition, neither Mr. Farrell nor the Division secretary witnessed or heard of any coercion of employees by Mr. Black or by anyone else.22/

With three exceptions, it has been possible to contact and obtain a statement from every person who was a member of the San Francisco Division Council between the years 1974 and 1977.23/ All of these persons state that no physical force, job discrimination, financial reprisals, or threats of such practice were ever used to secure or attempt to secure contributions to the Fund. None was ever instructed to use such practices, nor did they instruct others to do so. With the possible exception of the recent allegations by Mr. Hancock, none has ever been told by any present or former employee that coercion was used.24/

While some of these individuals recall that suggested contribution guidelines were discussed,25/ all state that they were never instructed, nor did they instruct anyone else, to force or require any employee to contribute a specific sum to the Fund. On the contrary, it has always been their clear understanding that participation in the Fund was voluntary and would have no bearing on any employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.26/

CONCLUSION

The uncontroverted policy of the Fund and the overwhelming evidence demonstrates that PGandE and the Fund are committed to the policy and practice of operating a voluntary committee free from any activities or methods violative of the Federal Election Campaign Act.

2-4

There is, therefore, no cause for the Commission to take any action in this matter.

Sincerely yours,

ROBERT OHLBACH
JOSEPH I. KELLY
PATRICK G. GOLDEN

By Joseph I. Kelly
JOSEPH I. KELLY
Attorney for
Respondent Pacific Gas and
Electric Company and the Fund

0 0 0 4 0 0 2 3 5 1 3

FOOTNOTES

1/ While Mr. Hancock states that his complaint is "...against Pacific Gas and Electric Company...," this response is submitted on behalf of the Company and the Fund.

2/ Attachment 1, 10-k statement, p. 2.

3/ Attachment 2, statement of Russ H. Cunningham.

4/ Attachment 3, California State Committee Statement of Organization; Attachment 4, Statement of Ellis B. Langley, Jr. p. 1, lines 11-12.

5/ Attachment 4, Langley, p. 1, lines 12-13; Attachment 5, federal registration forms.

6/ Attachment 6, statement of Michael T. Moe, lines 8-9.

7/ See written solicitations attached to Attachment 4.

8/ PGandE is divided into thirteen divisions (see Attachment 7). Each division is under the immediate control of a division manager.

9/ Attachment 8, certified copy of death certificate of John H. Black.

10/ Attachment 4, p. 1, lines 15-16.

11/ CPUC pleadings in Case No. 10838, Attachment 30.

12/ Communication dated May 21, 1980, Attachment 29.

13/ Attachment 4, p. 1, lines 17-25; Attachment 9, statement of Joseph Y. DeYoung, p. 1, lines 10-14; Attachment 10, statement of F. A. Peter, p. 1, lines 10-15.

14/ Attachment 4, p. 2, lines 6-11; Attachment 9, p. 1, lines 21-25; Attachment 10, p. 1, lines 20-24.

15/ Attachment 4, p. 2, lines 12-21; Attachment 9, p. 2, lines 3-12; Attachment 10, p. 2, lines 1-10.

16/ See page 2 of solicitation statements attached to Ellis B. Langley's statement (Attachment 4).

17/ Attachment 4, p. 1, line 25 to p. 2, line 1.

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Frank J. Regan, being duly sworn, deposes and says:

1. Since 1968, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently assigned to the Energy Conservation and Services Department of the General Office.

2. From August 1976 to August 1977, I served as a Special Representative to J. H. Black, Manager of the San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I began contributing in mid-1979.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present of former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

18/ Attachment 14, p. 2, lines 2-5.

19/ Attachment 13, p. 1, line 23, p. 2, line 5.

20/ Attachment 11, statement of Howard M. McKinley, lines 10-16; Attachment 12, statement of J. Art Fairchild, p. 1, lines 9-17.

21/ Attachment 11, p. 1, lines 14-16; Attachment 12, p. 1, lines 14-17.

22/ Attachment 13, p. 1, lines 19-22; Attachment 14, p. 1, line 22 to p. 2, line 1.

23/ The persons who were members of the San Francisco Division Council at one time or another between 1974 and 1977 were: M. A. Balke; R. G. Bouret; W. J. Farrell; W. B. Hancock; J. Kinder; L. T. McKelvey; C. A. Miller; R. H. Jones; E. V. Lathrop; K. V. Hayes; F. J. Regan; A. F. Vial; K. E. Robin; R. C. Metcalf; K. H. Whalen; J. H. Black; W. A. McCandless. Attachment 15, July 8 statement of Bonnie Duffy, lines 11-17. Of these persons, John H. Black is deceased (supra footnote 9). C. A. Miller was vacationing in Europe and could not be reached. However, he did not contribute to the Fund at all in the years 1974 through 1977. (See Attachment 6, statement of Michael T. Moe, lines 19-22.) The third gentleman not contacted who was a member of the Council is the complainant, William Hancock.

24/ Attachment 16, Statement of M. A. Balke, p. 1, lines 14-20.
Attachment 17, Statement of R. G. Bouret, p. 1, lines 15-21.
Attachment 13, Statement of W. J. Farrell, p. 1, lines 13-22.
Attachment 18, Statement of J. Kinder, p. 1, lines 13-23.
Attachment 19, Statement of L. T. McKelvey, p. 1, lines 14-24.
Attachment 20, Statement of R. H. Jones, p. 1, lines 13-24.
Attachment 21, Statement of E. V. Lathrop, p. 1, lines 12-23.
Attachment 22, Statement of K. V. Hayes, p. 1, lines 15-26.
Attachment 23, Statement of F. J. Regan, p. 1, lines 15-26.
Attachment 24, Statement of A. F. Vial, p. 1, lines 14-24.
Attachment 25, Statement of K. E. Robin, p. 1, lines 14-25.
Attachment 26, Statement of R. C. Metcalf, p. 1, lines 16-23.
Attachment 27, Statement of K. H. Whalen, p. 1, lines 14-20.
Attachment 28, Statement of W. A. McCandless, p. 1, lines 12-21.

25/ Attachment 16, p. 1, line 25 through p. 2, line 3. Attachment 18, p. 2, lines 8-11. Attachment 26, p. 2, lines 2-6. Attachment 27, p. 1, line 25 through p. 2, line 2. Attachment 28, p. 1, line 25 through p. 2, line 3.

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26/ Attachment 16, p. 1, line 21 through p. 2, line 7. Attachment 17, p. 1, line 21 through p. 2, line 3. Attachment 13, p. 1, line 19 through p. 2, line 26. Attachment 18, p. 2, lines 4-17. Attachment 19, p. 1, line 17 through p. 2, line 8. Attachment 20, p. 1, line 16 through p. 2, line 2. Attachment 21, p. 1, line 15 through p. 2, line 2. Attachment 22, p. 1, line 18 through p. 2, line 4. Attachment 23, p. 1, line 18 through p. 2, line 4. Attachment 24, p. 1, line 17 through p. 2, line 2. Attachment 25, p. 1, line 17 through p. 2, line 3. Attachment 26, p. 1, line 19 through p. 2, line 10. Attachment 27, p. 1, line 17 through page 2, line 18. Attachment 28, p. 1, line 14 through page 2, line 7.

0 0 0 4 0 2 2 3 5 1 7

RECEIVED

533 Sutter St. Suite 900
San Francisco, Calif. 94102
June 10, 1980

80 JUN 13 AM 11:46

Federal Election Commission
1325 K St. N. W.
Washington, D. C. 20005

C08467

Attention: Complaint Section:

Gentlemen:

I wish to enter a complaint against Pacific Gas & Electric Co., 245 Market St. Room 714, and 77 Beale St. Corporate Headquarters, 32nd floor, San Francisco, Calif. 94106.

During the years 1974 through 1977, I was forced to contribute to the "Good Government Fund" by the Division Manager, John H. Black, since deceased. At the time, I was Administrative Analyst, San Francisco Division, on Mr. Black's staff. Those of us on the staff were ordered to contribute $100.00 per year at a rate of $10.00 per month. Mr. Walter J. Farrell, Representative, was the "bag man" who collected the checks each month. Prior to the Federal Election Campaign Act of 1974, we contributed directly, as is evidenced by my letter from Supervisor Terry A. Francois Committee, dated May 6, 1975, enclosed, thanking me, a resident of Richmond California, contributing to a San Francisco Supervisoral candidate.

We were instructed each month in a staff meeting to make out checks for Mr. Farrell to pick up, usually to the fund. As evidence of the pattern of giving, note Exhibit D, dated 4/24/78 through 5/22/78, which shows that all of Mr. Black's staff gave $100.00 cumulative from 1/1/77 except Mr. A F Vial, District Manager, who gave an extra $10.00. This pattern can be found thruout the company's 13 divisions, and headquarters Giving was based upon what a manager told his subordinates to pay to the fund.

Your investigators could peruse the records at the California Secretary of State's Office if further information is necessary. Please also note the audit report for the period from January 2, 1976 through December 31, 1976. As a member of the fund, I would not have approved giving to Senator Briggs, or in the 4/24 through 5/22/78, an enequal amount to Quentin Kopp, as compared to Diane Feinstein.

Present employees of PG&E will be reluctant to admit they are forced to give. Retirees or separated employees would be more willing to confirm that pattern, if necessary. Please note my letter of August 12, 1979 to Richard Miller, Deputy DA, San Francisco, and the article from "Chic" magazine, which details Justin Dart's comments on how to provide guidlines on giving. I was forced to give $100.00 on less than $23,000 annually, while my Vice President was giving $80.00 on a salary of over $65,000. Joseph Kelly, of the Audit Committee gave $60.00 in 1976 on a greater salary than mine.

This complaint has been brought to the attention of Directors of PG&E, in a C. P. U. C. action by me February 24, 1980, and the company on April 4, 1980 denied it, and asked that it be dismissed. The company is, therefore willfully pursuing the use of this PAC to their own ends, in spite of my complaint. I feel civil and criminal action should occur. I swear the above data is true to the best of my knowledge and belief.

Sincerely

William B. Hancock

William B. Hancock
(Phone 415 982-7375)

ENCL: Ex E, Francois, Ex, D. (3 pages) Attach. A. 2 of 6, 4/24, Attach. B, 4 of 12, ltr R Miller, Article "Sucking at the Big Business Tit". Sept 79

2-9

State of Ca.
County of Marin } ss.

On this the 10th day of June 19 80, before me, Cynthia Jernigan the undersigned Notary Public, personally appeared William B. Hancock

known to me to be the person(~~s~~) whose name(~~s~~) is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Cynthia Jernigan

OFFICIAL SEAL
CYNTHIA JERNIGAN
NOTARY PUBLIC - CALIFORNIA
MARIN COUNTY
My comm. expires JUL 20, 1982

GENERAL ACKNOWLEDGEMENT FORM

EXHIBIT E

CASE NO. 1.Y.238

Committee to Re-Elect
SUPERVISOR
TERRY A. FRANCOIS

FULTON STREET
SAN FRANCISCO, CALIF. 94110
(415) 552-3151

RECEIVED
JUN 16 AM 11:46

May 6, 1975

Mr. William Handcock
848 - 34th Street
Richmond, California

Dear Mr. Handcock:

Thank you for your contribution to my campaign. Your support is most gratifying to me.

I have every hope that this campaign will be as successful as my last one, and early assistance from people like yourself is very encouraging.

Thank you again.

Sincerely,

Terry A. Francois

Terry A. Francois

mc

2-11

C.J

00040123520

EXHIBIT D

CASE NO. 10838

NAME Good Government Fund I. D. NUMBER COMMITTEE) 744289

Statement Covers Period From 4/24/78 through 5/22/78

SCHEDULE A, FORM 420 or 430

(continued) (continuation of Part 2, Page 4)

PART 2 - RECEIVED FROM OTHERS: (See information manual for directions and examples)

DATE 1978	FULL NAME AND ADDRESS (Street, City, State) OF CONTRIBUTOR	OCCUPATION	EMPLOYER (IF CONTRIBUTOR IS SELF-EMPLOYED LIST STREET ADDRESS & CITY OF BUSINESS)	AMOUNT RECEIVED	CUMULATIVE AMOUNT From 1/1/77
	Max A. Balke 1000 Evans Avenue San Francisco, CA 94124	Superintendent	PGandE	$ -0-	$ 100.00
	John H. Black 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	60.00
	Walter J. Farrell 245 Market Street San Francisco, CA 94106	Representative	PGandE	-0-	100.00
	Richard H. Jones 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
	James Kinder 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Edward V. Lathrop 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	L. T. McKelvey 2225 Folsom Street San Francisco, CA 94110	Manager	PGandE	0	100.00
	R. C. Metcalf 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Kenneth E. Robin 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
4/24	A. F. Vial 450 Eastmoor Avenue Daly City, CA 94015	Manager	PGandE	10.00	110.00
	Kenneth H. Whalen 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
5/19	Thomas E. Riddle 1030 Detroit Concord, CA 94518	Manager	PGandE	10.00	80.00

2-12

C.5

EXHIBIT D CASE NO. 10836

State of California
FRANCHISE TAX BOARD
Sacramento, CA 95867
(916) 355-0480

AUDIT REPORT FOR COMMITTEE:

Good Government Fund
77 Beale Street, Room 891, San Francisco, CA 94106

January 2, 1976 through December 31, 1976

TREASURER: Frank A. Peter
77 Beale Street, Room 891, San Francisco, CA 94106

REPRESENTATIVES: Joseph Kelly
77 Beale Street, Room 3091, San Francisco, CA 94106

Thomas High
77 Beale Street, Room 3008, San Francisco, CA 94106

Michael Moe
77 Beale Street, Room 540 K, San Francisco, CA 94106

AUTHORITY FOR AUDIT

This audit is mandated by Section 90001(e) of the California Government Code.

BACKGROUND INFORMATION

The Good Government Fund is an independent, ongoing committee. It supports any candidate whose views coincide with that of the enrolled membership.

The audit was conducted in the corporate headquarters of Pacific Gas and Electric Company at 77 Beale Street in San Francisco. The statements were prepared and the records were maintained in the accounting department, also at 77 Beale Street. Assistance during the audit was provided by Joseph Kelly and Thomas High.

RECORDKEEPING

Michael Moe maintains records in accordance with the Fair Political Practices Commission Regulations. The reliability of the records was adequate.

2-13

C.J.

NAME Good Government Fund EXHIBIT D CASE NO. 10535

I.D. N[illegible] Committee) 744249

Statement covers period from 5/25/76 through 8/5/76

SCHEDULE E, FORM 420 or 430
PAYMENTS (continuation of Part 1, Page 8)

(Amounts may be rounded off to whole dollars)

PART 1 — MADE TO COMMITTEES: (See information manual for directions and examples)

OFFICIAL USE ONLY	FULL NAME OF PAYEE COMMITTEE AND I.D. NUMBER (If the committee has no I.D. Number, state full name and address of the Treasurer)	AMOUNT THIS PERIOD
	Briggs for Senate Committee State Senator I. D. #745829	$ 300.00
	Friends of Pete Chacon State Assemblyman I. D. #741730	200.00
	Committee to Re-Elect Deddeh State Assemblyman I. D. #742129	200.00
	Friends of Jim Slemons State Assemblyman I. D. #760197	200.00
	William Dannemeyer for Assembly Committee State Assemblyman I. D. #760335	200.00
	Vicencia Committee State Assemblyman I. D. #745693	200.00
	Committee to Re-Elect Assemblyman Duffy State Assemblyman I. D. #741302	200.00
	Committee to Elect Bill Thomas State Assemblyman I. D. #743207	200.00
	Committee To Re-Elect Bob Cline State Assemblyman I. D #743650	200.00
	Friends of Arnett Committee State Assemblyman I. D. #741007	200.00
	Calvo Campaign Committee State Assemblyman I. D. #742922	200.00
	Citizens for Hayden Committee State Assemblyman I. D. #741457	200.00

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 1, part 3, page 9) $ 2,500.00

CS

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

RECEIVED

78 JUN 16 AM 11:46

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Richard Robinson-State Assembly 72nd A.D.	x Support Oppose	$ -0-	$ 250.00
Mike Roos-State Assembly 46th A.D.	x Support Oppose	-0-	200.00
La Verne Schneider-Member, San Luis Obispo City Council	x Support Oppose	-0-	100.00
Stephen Solomon-Member, Salinas City Council	x Support Oppose	-0-	100.00
Don Talley-Trustee, Cuesta Community College	x Support Oppose	-0-	50.00
Gene Chappie-State Assembly 3rd A.D.	x Support Oppose	-0-	200.00
William Campbell-State Senate 33rd S.D.	x Support Oppose	-0-	250.00
March Fong Eu-Secretary of State	x Support Oppose	-0-	200.00
Assembly Republican Political Action Committee - Various Republican State Assembly Campaigns	x Support Oppose	-0-	500.00
John W. Homdahl-State Senate 8th S.D.	x Support Oppose	-0-	200.00
James R. Mills-State Senate 40th S.D.	x Support Oppose	-0-	500.00
Charles E. Bott-Stockton City Council	x Support Oppose	-0-	100.00
Alan Robbins-State Senate 20th S.D.	x Support Oppose	-0-	200.00
Diane Feinstein-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	400.00
Quentin Kopp-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	50.00
Alister McAlister-State Assembly 25th A.D.	x Support Oppose	-0-	300.00
William M. Thomas-State Assembly 33rd A.D.	x Support Oppose	-0-	200.00
John A. Nejedly-State Senate 7th S.D.	x Support Oppose	-0-	100.00
Ella Hill Hutch-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	250.00

2-15

C 8

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Gary Borvice-Supervisor, Board of Supervisors San Francisco	x Support Oppose	$ -0-	$ 250.00
Lee Dolson-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	350.00
John F. Foran-State Senate 6th S.D.	x Support Oppose	-0-	150.00
S. Floyd Mori-State Assembly 15th A.D.	x Support Oppose	200.00	300.00
Victor Calvo-State Assembly 21st A.D.	x Support Oppose	-0-	200.00
Henry J. Mello-State Assembly 28th A.D.	x Support Oppose	-0-	200.00
United Republican Finance Committee of San Francisco-Various Republican State Campaigns	x Support Oppose	-0-	1,000.00
Lonnie Washington-Member, Richmond City Council	x Support Oppose	-0-	100.00
Robert Wherritt-Member, Salinas City Council	x Support Oppose	-0-	100.00
Ted C. Wills-Mayor, City of Fresno	x Support Oppose	-0-	100.00
Wilson Riles-State Supt. of Public Instruction	x Support Oppose	-0-	200.00
Ron Bates-Daly City City Council	x Support Oppose	-0-	50.00
Tom Kitayama-Mayor, City of Union City	x Support Oppose-	-0-	100.00
Ron Pelosi-Supervisor, Board of Supervisors, San Francisco	x Support Oppose	-0-	300.00
Margaret Kozkowski-Mayor, City of San Bruno	x Support Oppose	-0-	50.00
Tony Governale-San Bruno City Council	x Support Oppose	-0-	50.00
Tom Ricci-San Bruno City Council	x Support Oppose	-0-	50.00
Art Lapore-Millbrae City Council	x Support Oppose	-0-	50.00

2-19

RECEIVED
'CD JUN 16 AM 11:47

Name: The Good Government Fund
I. D. #744249
Statement Covers Period From: January 1, 1977 through June 30, 1977

Walter J. Farrell ✓ DMO
Donald R. Field E
Gordon E. Fiske S
Louise Fletcher M
Robert H. Fohlen M
Ronald E. Grasser E
William Hamil
William B. Hancock ✓ DMO
Robert H. Hatch S
James J. Hillyer
Samuel G. Holmes
Richard H. Jones G + DMO
John J. Kamariotis E
James Kinder P
Manfred Kranse
Edward V. Lathrop M + DMO
Walter J. Leslie
J. K. Lieber S
Konstantin K. Lobodovsky M
Rex B. Luce
Charles Makar CS
Thomas H. Mason

Gary K. McCurdy
Robert W. McDermott
L. T. McKelvey G-S + DMO
W. J. McLean
R. C. Metcalf CS
F. R. Milam E
Andrew C. Millpointer S
John R. Monaco S
Fremont D. Nash S
Norman Ossman
Billy R. Overstreet E
Robert M. Pederson
Donald W. Peerson M
George M. Poulo GS
J. A. Pridmore S
Daniel J. Quinlan, Jr. M
Clyde J. Richards E
Kenneth E. Robin CS + DMO
Melvin J. Rodrigues GS
M. H. Samii S
John C. Sander E
Phillip H. Sigmund E

Neal A. Solloway E
Adrian L. Sommerville S
R. E. Thompson E
Wallace G. Tring
R. N. Tucker M
Gerald Tyson M
D. F. Veihmeyer G
A. F. Vial DISTMGR + DMO
Avtar S. Virdee
David G. Waterworth ✓
Kenneth H. Whalen E + DMO
Henry R. Wind E
T. W. Wriston E
John H. Anderson
Lawrence H. Barre
H. E. Belmont
Clayton E. Bowser
James R. Bozarth
Stephen W. Cook
Charles S. Earnshaw
Arne L. Hawkins
Royal W. Hazelton

2-7

C.J.

RECEIVED

625 Post Street, No. 609
San Francisco, Calif. 94109
August 12, 1979

0 JUN 16 AM 11:47

Mr. Richard Miller, Deputy DA
880 Bryant Street, Room 322.
San Francisco, Calif. 94105

Re: P G & E Good Government Fund

Dear Sir:

Immediately after my visit to you July 18th, I found it necessary to return east, and have not checked with the phone service to see if you had called. Having had no written communication either, I assume you may have "struck out" in getting four more people to quickly verify my story.

To assist you in realizing the ramifications of what I told you I am pleased to enclose copies of an article that appeared in the magazine "Chic" for September 1979, pages 16, etc, entitled "Sucking at the Big Business Tit"(you'll pardon the expression, I am sure)

The article completely verifies what I told you about the ability of a supervisor to see that management employees give the "right" amount, and also that big business is subverting the law in the way they give contributions.

Attached also is a copy of Supervisor Terry A. Francois letter to me of May 6, 1975 thanking me for my contribution. I will repeat, I wouldn't give money to him to run for dog catcher, but was ordered to do so in a public "Division Council" meeting, by Mr. John H Black, deceased. Most of the $100.00 contributors on the list I gave you were also given that order, and did so.

If you are not going to pursue this, please write and let me know the name of some other northern California District Attorney who you think might have the time and interest. It is a major "rip off" by dishonest corporate people to make sure the law is in their favor. A good example that irritates me is that I cannot loan you money at more than 10%, but a bank can charge us both 18%. What is fair about that one.?????

Sincerely

William B Hancock

William B. Hancock

cc: cc: Mr David Pitman,
Secretary of State' office
Political Reform Division
1230 J Street, Sacto, 95814,

Mr. Scott Thorpe, Attorney General's Office,
555 Capitol Ave. Sacramento, 95814

Mr. Bob Blazier, Attorney
FPPC 1100 K Street, Sacto 95814

2-18

C.J.

CCC#
1799

533 Sutter St. No 900
San Francisco, Calif. 94102
June 25, 1980

WILLIAM B. HANCOCK

Federal Election Commission
1325 K St. NW
Washington, D. C. 20463

Attention: Charles N. Steele, General Cousel

Smith

Dear Sir:

Your letter of June 18th, leaves me with a feeling of apprehension that my complaint will be "swept under the rug" in the mill of bureauocracy. As a result, I am enclosing further data I have accumulated on PG&E, to make sure that your staff member realizes the extent of PG&E management's involvement in hiding the way they force contributions.

The document is in my handwriting, dated 4/18/80, and lists the people at PG&E who gave (very partial list), and who the money was given to. Mr. Farrell, 2. gave until 1977, at which time he was no longer bag man, and then changed jobs. He no longer gave in his new job. Mr Bouret, also gave until his boss, J.H. Black died,

Mr. Howatt is Sacramento Division Manager, making about $50,000 per year. Mr. Wong works in Energy conservation at about $30,000.

Mr. Kelly. attorney, and member of the audit committee is in the $50,000/ year bracket, but Mr. DeYoung VP is in the $80,000 bracket, but gives less than Mr. Cooper, who was his subordinate.

If your investigator could come out here and go to the Secretary of State's office I can show violations by more than 20 firms, including Bank of America, Crocker, Wells Fargo, Bohannon Development, Southern Pacific, Walter Shorenstein, Dart Industries, Long Drugs, Occidental, and many others, and also conflict of interest in politicians receiving, such as the Attorney General who has not investigated my 8/13/79 complaint. He received very much PAC money. You don't bite the hand that feeds you.

This goes to the heart of our electoral process, and according to many observers, will rule the country if not stopped.

Are you a "paper tiger", or can I depend on a fair shake???

Sincerely

William B. Hancock

William B. Hancock

2-19

Encl: Good Government, Getting and Giving
Attachment A, page 1 Of 6, ID 744249, 4/24-5/22/78

PS: PG&E HAS FORBIDDEN ALL EMPLOYEES TO TALK WITH ME.

GETTING

GOOD GOVERNMENT FUND 4/18/80

J S COOPER MANAGER CUM

5/23 - 6/23/78 FROM 1/1/77 $ 365

7/21 - 9/22/78 7/1/78 75

76 1-2 BCC 5/21 $20 5 $ 21-9 $20 CUM 1/1/76 ~~[illegible]~~ 240

6-7/76 4W 11-12 6-

12/31/78 $ 150

12/31/79 $ 300

D GIBSON ATTY GEN COUNSEL PGT

6/5 - 6/22/78 CUM 1/77 $ 315

7/25 8/30 7/1/78 $ 50

5/21/76 10-12 $ 10 ~~50~~

6 - 7 8-10 9-10 20 ~~75~~ 120

CUM 77 165

ASST 6C PGE 12/31/78 $ 150

79 $ 325

CUM CU

JY DEY VP

5/23 - 6/23 $ 150

5/21/76 10 ~~50~~

6-7 9-10 20 ~~75~~

5 10 120

12/31/78 60

12/31/79 $ 120

2-20

I

0004022352 9

W J FARRELL REP
5/23/75 - 6/30/75 1/1/77 $ 100

LATHROP MGR
IN 75 FROM 1/1/77 $120
12/31/75 $ 60
12/31/79 $ 120

BOURET
1/1/77 $60

0004023530

3

			CUM
HOWATT	76		60
78 FROM	1/1/77	$	90 —
	12/31/77		60
WONG	76		60
	1/1/77	$	90
KELLY	76		60
78 FROM	1/1/77	$	95
	12/31/77	$	60
	12/31/79	$	120
ALTMAN	6-7/76	20	50
	8-0	11-10	
	1/1/77	$	100
FOR	12/31/77		50

2-22

III

0004023531

4

~~SPRUL~~

SPRUL VT

1/1/77 - ~~8~~ 75

12/31/77 75

GRASSER

~~8~~ 72

CUNNINGHAM

~~8~~ 72

BERNLAND

~~8~~ 72

M BONNER ADMIN

~~8~~ 72

2-23

IV

0004022353 2

5

RADFORD 1/1/77 $100

WILBUR SHINNER 1/1/77 $65

PAUL BAILEY 1/1/77 $54 —

BRAND 1/1/77 $54

2-24

V

0004022533

E

PRIDMORE 1/1/78 $ 54

J DUNCAN 1/1 $50-

0004022534

VI

I GOOD GOVERNMENT FUND

4/18/81

GIVING COMM FOR PEWSI 79 $ 750 -
COMMITTEE RON $ 750

MOLINARI 1/76-2/76 50
1/1/77 $ 500

COMM 12/31/77 50
200

JL SUPV " $ 400
COMM 79 $ 175
JL N-SF BOARD $ 425

MILLS 12/31/77 COMM. $ 500
/ $ 500

DIANE - SUPV 12/77 $ 400
FEINSTEIN FOR SUP 12/31/77 $ 400
FEINSTEIN S'
78 $ 400

HOPP - SUPV $ 50
COMM FOR HOPP 12/31/77 $ 50

HOPP $ 50

HUTCH $ 250

VII

0004023535

71

DOLSON	78	$	350
COMM FOR D	12/31/77		250
DOLSON SUPV	"		250
COMM FOR	79	$	550
LEED	79		750

RILES		$	200
YOUNGER - CURB-78	12/31/78	$	1,670 —
BROWN	"		500
MINE CURB VARIOUS		$	500
CAMPAIGN COMM	76	$	300
WILLIE BROWN		$	200

FRIENDS OF DAN WHITE	78	$	250
DAN WHITE	78	$	250
EU - SENT Y	12/31/77	$	200
EU	~~76 2-4/76~~	$	200
EU	77	$	200
78 DINNER	77	$	250
HER	77		250
12/31/77 DINNER			200
M FEU	12/31/78 UIH		250

00040022835,36

III

GONZALES 4/75 - 5/75 COM $500
RC FOR SUPV 12/31/77 $150
BOB G SUPV 12/31/77 400
GONZ CAMP COM 12/31/77 $250
BOBE " 500
BARBAGELATA 1-2/76 $465-

MOSCONE COMM 77 $210
MOSCONE DINNER $300

PEDSAGNOS 76 - $200
AGNOS 76 $200

18TH ASSY DIST FUND MCCARTHY $500 COM 76
LT MCCARTH $500 COM 76
12/79 LT ASSY $600

IX

0004023537

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date
1. Expenditures in the form of transfers to state and local candidates not yet disclosed by the Good Government Fund in a post election statement filed in connection with elections in which the recipients were seeking elections.			
Alfred E. Alquist-State Senate 11th S.D.	x Support Oppose	$ -0-	$ 350.00
John Bee-Member, Oakland City Council	x Support Oppose	-0-	200.00
Daniel Boatwright-State Assembly 10th A.D.	x Support Oppose	-0-	200.00
Fred F. Cooper-Alameda County Board of Supervisors	x Support Oppose	-0-	400.00
Tom Corcoran-Member, Richmond City Council	x Support Oppose	-0-	100.00
Wadie P. Deddeh-State Assembly 80th A.D.	x Support Oppose	-0-	100.00
Democratic Advisory Committee - Various Democratic State Campaigns	x Support Oppose	-0-	1,000.00
Ralph C. Dills-State Senator 28th S.D.	x Support Oppose	-0-	500.00
Charles Goady-Member, Oakland Board of Education	x Support Oppose	-0-	100.00
Bob Gonzales-Supervisor, Board of Supervisors San Francisco BAD	x Support Oppose	-0-	500.00
Dan Greco-Member, Richmond City Council	x Support Oppose	-0-	100.00
Lorenzo Hoopes-Member, Oakland Board of Education	x Support Oppose	-0-	100.00
John L. Molinari-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	500.00
Richard Nevins-Member, California State Board of Equalization	x Support Oppose	-0-	150.00
Lou Papan-State Assembly 19th A.D.	x Support Oppose	100.00	300.00
Robert Presley-State Senate 34th S.D.	x Support Oppose	-0-	250.00
Helen Putnam-Mayor, City of Petaluma	x Support Oppose	-0-	150.00

2-29

RECEIVED

533 Sutter St. Suite 900
San Francisco, Calif. 94102
June 10, 1980

Federal Election Commission
1325 K St. N. W.
Washington, D. C. 20005

C08467

Attention: Complaint Section:

Gentlemen:

I wish to enter a complaint against Pacific Gas & Electric Co., 245 Market St. Room 714, and 77 Beale St. Corporate Headquarters, 32nd floor, San Francisco, Calif. 94106.

During the years 1974 through 1977, I was forced to contribute to the "Good Government Fund" by the Division Manager, John H. Black, since deceased. At the time, I was Administrative Analyst, San Francisco Division, on Mr. Black's staff. Those of us on the staff were ordered to contribute $100.00 per year at a rate of $10.00 per month. Mr. Walter J. Farrell, Representative, was the "bag man" who collected the checks each month. Prior to the Federal Election Campaign Act of 1974, we contributed directly, as is evidenced by my letter from Supervisor Terry A. Francois Committee, dated May 6, 1975, enclosed, thanking me, a resident of Richmond California, contributing to a San Francisco Supervisoral candidate.

We were instructed each month in a staff meeting to make out checks for Mr. Farrell to pick up, usually to the fund. As evidence of the pattern of giving, note Exhibit D. dated 4/24/78 through 5/22/78, which shows that all of Mr. Black's staff gave $100.00 cumulative from 1/1/77 except Mr. A F Vial, District Manager, who gave an extra $10.00. This pattern can be found thruout the company's 13 divisions, and headquarters giving was based upon what a manager told his subordinates to pay to the fund.

Your investigators could peruse the records at the California Secretary of State's Office if further information is necessary. Please also note the audit report for the period from January 2, 1976 through December 31, 1976. As a member of the fund, I would not have approved giving to Senator Briggs, or in the 4/24 through 5/22/78, an enequal amount to Quentin Kopp, as compared to Diane Feinstein.

Present employees of PG&E will be reluctant to admit they are forced to give. Retirees or separated employees would be more willing to confirm that pattern, if necessary. Please note my letter of August 12, 1979 to Richard Miller, Deputy DA, San Francisco, and the article from "Chic" magazine, which details Justin Dart's comments on how to provide guidlines on giving. I was forced to give $100.00 on less than $23,000 annually, while my Vice President was giving $80.00 on a salary of over $65,000. Joseph Kelly, of the Audit Committee gave $60.00 in 1976 on a greater salary than mine.

This complaint has been brought to the attention of Directors of PG&E, in a C. P. U. C. action by me February 24, 1980, and the company on April 4, 1980 denied it, and asked that it be dismissed. The company is, therefore willfully pursuing the use of this PAC to their own ends, in spite of my complaint. I feel civil and criminal action should occur. I swear the above data is true to the best of my knowledge and belief.

Sincerely

William B Hancock

William B. Hancock
(Phone 415 982-7375)

ENCL: Ex E, Francois, Ex, D. (3 pages) Attach. A. 2 of 6, 4/24, Attach. B, 4 of 12, ltr R Miller, Article "Sucking at the Big Business Tit". Sept 79

State of Ca.
County of Marin } ss.

On this the 10th day of June 19 80, before me, Cynthia Jernigan the undersigned Notary Public, personally appeared William B. Hancock

known to me to be the person(~~s~~) whose name(s) is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Cynthia Jernigan

OFFICIAL SEAL
CYNTHIA JERNIGAN
NOTARY PUBLIC - CALIFORNIA
MARIN COUNTY
My comm. expires JUL 20, 1982

GENERAL ACKNOWLEDGEMENT FORM

EXHIBIT E

CASE NO. 1.4.233

Committee to Re-Elect

SUPERVISOR TERRY A. FRANCOIS

FULTON STREET
SAN FRANCISCO, CALIF. 94110
(415) 552-3151

RECEIVED
1975 JUN 16 AM 11:46

May 6, 1975

Mr. William Handcock
848 - 34th Street
Richmond, California

Dear Mr. Handcock:

Thank you for your contribution to my campaign. Your support is most gratifying to me.

I have every hope that this campaign will be as successful as my last one, and early assistance from people like yourself is very encouraging.

Thank you again.

Sincerely,

Terry A. Francois

Terry A. Francois

mc

2-32

C.5

00040-235541

EXHIBIT D

CASE NO. 10838

NAME Good Government Fund

I. D. NUMBER COMMITTEE) 744249

Statement Covers Period From 4/24/78 through 5/22/78

SCHEDULE A, FORM 420 or 430
(continued) (continuation of Part 2, Page 4)

PART 2 - RECEIVED FROM OTHERS: (See information manual for directions and examples)

DATE 1978	FULL NAME AND ADDRESS (Street, City, State) OF CONTRIBUTOR	OCCUPATION	EMPLOYER (IF CONTRIBUTOR IS SELF-EMPLOYED LIST STREET ADDRESS & CITY OF BUSINESS)	AMOUNT RECEIVED	CUMULATIVE AMOUNT From 1/1/77
	Max A. Balke 1000 Evans Avenue San Francisco, CA 94124	Superintendent	PGandE	$ -0-	$ 100.00
	John H. Black 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	60.00
	Walter J. Farrell 245 Market Street San Francisco, CA 94106	Representative	PGandE	-0-	100.00
	Richard H. Jones 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
	James Kinder 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Edward V. Lathrop 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	L. T. McKelvey 2225 Folsom Street San Francisco, CA 94110	Manager	PGandE	0	100.00
	R. C. Metcalf 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Kenneth E. Robin 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
4/24	A. F. Vial 450 Eastmoor Avenue Daly City, CA 94015	Manager	PGandE	10.00	110.00
	Kenneth H. Whalen 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
5/19	Thomas E. Riddle 1030 Detroit Concord, CA 94518	Manager	PGandE	10.00	80.00

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C.S

EXHIBIT D CASE NO. 10836

State of California
FRANCHISE TAX BOARD
Sacramento, CA 95867
(916) 355-0480

AUDIT REPORT FOR COMMITTEE:

Good Government Fund
77 Beale Street, Room 891, San Francisco, CA 94106

January 2, 1976 through December 31, 1976

TREASURER: Frank A. Peter
77 Beale Street, Room 891, San Francisco, CA 94106

REPRESENTATIVES: Joseph Kelly
77 Beale Street, Room 3091, San Francisco, CA 94106

Thomas High
77 Beale Street, Room 3008, San Francisco, CA 94106

Michael Moe
77 Beale Street, Room 540 K, San Francisco, CA 94106

AUTHORITY FOR AUDIT

This audit is mandated by Section 90001(e) of the California Government Code.

BACKGROUND INFORMATION

The Good Government Fund is an independent, ongoing committee. It supports any candidate whose views coincide with that of the enrolled membership.

The audit was conducted in the corporate headquarters of Pacific Gas and Electric Company at 77 Beale Street in San Francisco. The statements were prepared and the records were maintained in the accounting department, also at 77 Beale Street. Assistance during the audit was provided by Joseph Kelly and Thomas High.

RECORDKEEPING

Michael Moe maintains records in accordance with the Fair Political Practices Commission Regulations. The reliability of the records was adequate.

2-31

C.J.

NAME Good Government Fund EXHIBIT D I.D. NUMBER (Committee) 744249 CASE NO. 10555

Statement covers period from 5/25/76 through 8/3/76

SCHEDULE E, FORM 420 or 430
PAYMENTS (continuation of Part 1, Page 8)

(Amounts may be rounded off to whole dollars)

PART 1 – MADE TO COMMITTEES: (See information manual for directions and examples)

OFFICIAL USE ONLY	FULL NAME OF PAYEE COMMITTEE AND I.D. NUMBER (If the committee has no I.D. Number, state full name and address of the Treasurer)	AMOUNT THIS PERIOD
	Briggs for Senate Committee State Senator I. D. #745829	$ 300.00
	Friends of Pete Chacon State Assemblyman I. D. #741730	200.00
	Committee to Re-Elect Deddeh State Assemblyman I. D. #742129	200.00
	Friends of Jim Slemons State Assemblyman I. D. #760197	200.00
	William Dannemeyer for Assembly Committee State Assemblyman I. D. #760335	200.00
	Vicencia Committee State Assemblyman I. D. #745693	200.00
	Committee to Re-Elect Assemblyman Duffy State Assemblyman I. D. #741302	200.00
	Committee to Elect Bill Thomas State Assemblyman I. D. #743207	200.00
	Committee To Re-Elect Bob Cline State Assemblyman I. D #743650	200.00
	Friends of Arnett Committee State Assemblyman I. D. #741007	200.00
	Calvo Campaign Committee State Assemblyman I. D. #742922	200.00
	Citizens for Hayden Committee State Assemblyman I. D. #741457	200.00

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 1, part 3, page 9) $ 2,500.00

00402255444

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

RECEIVED
'78 JUN 16 AM 11 46

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Richard Robinson-State Assembly 72nd A.D.	x Support Oppose	$ -0-	$ 250.00
Mike Roos-State Assembly 46th A.D.	x Support Oppose	-0-	200.00
La Verne Schneider-Member, San Luis Obispo City Council	x Support Oppose	-0-	100.00
Stephen Solomon-Member, Salinas City Council	x Support Oppose	-0-	100.00
Don Talley-Trustee, Cuesta Community College	x Support Oppose	-0-	50.00
Gene Chappie-State Assembly 3rd A.D.	x Support Oppose	-0-	200.00
William Campbell-State Senate 33rd S.D.	x Support Oppose	-0-	250.00
March Fong Eu-Secretary of State	x Support Oppose	-0-	200.00
Assembly Republican Political Action Committee - Various Republican State Assembly Campaigns	x Support Oppose	-0-	500.00
John W. Homdahl-State Senate 8th S.D.	x Support Oppose	-0-	200.00
James R. Mills-State Senate 40th S.D.	x Support Oppose	-0-	500.00
Charles E. Bott-Stockton City Council	x Support Oppose	-0-	100.00
Alan Robbins-State Senate 20th S.D.	x Support Oppose	-0-	200.00
Diane Feinstein-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	400.00
Quentin Kopp-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	50.00
Alister McAlister-State Assembly 25th A.D.	x Support Oppose	-0-	300.00
William M. Thomas-State Assembly 33rd A.D.	x Support Oppose	-0-	200.00
John A. Nejedly-State Senate 7th S.D.	x Support Oppose	-0-	100.00
Ella Hill Hutch-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	250.00

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Gary Borvice-Supervisor, Board of Supervisors San Francisco	x Support Oppose	$ -0-	$ 250.00
Lee Dolson-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	350.00
John F. Foran-State Senate 6th S.D.	x Support Oppose	-0-	150.00
S. Floyd Mori-State Assembly 15th A.D.	x Support Oppose	200.00	300.00
Victor Calvo-State Assembly 21st A.D.	x Support Oppose	-0-	200.00
Henry J. Mello-State Assembly 28th A.D.	x Support Oppose	-0-	200.00
United Republican Finance Committee of San Francisco-Various Republican State Campaigns	x Support Oppose	-0-	1,000.00
Lonnie Washington-Member, Richmond City Council	x Support Oppose	-0-	100.00
Robert Wherritt-Member, Salinas City Council	x Support Oppose	-0-	100.00
Ted C. Wills-Mayor, City of Fresno	x Support Oppose	-0-	100.00
Wilson Riles-State Supt. of Public Instruction	x Support Oppose	-0-	200.00
Ron Bates-Daly City City Council	x Support Oppose	-0-	50.00
Tom Kitayama-Mayor, City of Union City	x Support Oppose	-0-	100.00
Ron Pelosi-Supervisor, Board of Supervisors, San Francisco	x Support Oppose	-0-	300.00
Margaret Kozkowski-Mayor, City of San Bruno	x Support Oppose	-0-	50.00
Tony Governale-San Bruno City Council	x Support Oppose	-0-	50.00
Tom Ricci-San Bruno City Council	x Support Oppose	-0-	50.00
Art Lapore-Millbrae City Council	x Support Oppose	-0-	50.00

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RECEIVED
'80 JUN 16 AM 11:47

Name: The Good Government Fund
I. D. #744249
Statement Covers Period From: January 1, 1977 through June 30, 1977

Walter J. Farrell ✓ DMO
Donald R. Field E
Gordon E. Fiske S
Louise Fletcher M
Robert H. Fohlen M
Ronald E. Grasser E
William Hamil
William B. Hancock DMO
Robert H. Hatch S
James J. Hillyer
Samuel G. Holmes
Richard H. Jones G + DMO
John J. Kamariotis E
James Kinder P
Manfred Kranse
Edward V. Lathrop M + DMO
Walter J. Leslie
J. K. Lieber S
Konstantin K. Lobodovsky M
Rex B. Luce
Charles Makar CS
Thomas H. Mason

Gary K. McCurdy
Robert W. McDermott
L. T. McKelvey GS + DMO
W. J. McLean
R. C. Metcalf CS
F. R. Milam E
Andrew C. Millpointer S
John R. Monaco S
Fremont D. Nash S
Norman Ossman
Billy R. Overstreet E
Robert M. Pederson
Donald W. Peerson M
George M. Poulo GS
J. A. Pridmore S
Daniel J. Quinlan, Jr. M
Clyde J. Richards E
Kenneth E. Robin CS + DMO
Melvin J. Rodrigues GS
M. H. Samii S
John C. Sander E
Phillip H. Sigmund E

Neal A. Solloway E
Adrian L. Sommerville S
R. E. Thompson E
Wallace G. Tring
R. N. Tucker M
Gerald Tyson M
D. F. Veihmeyer G
A. F. Vial DISTMGR + DMO
Avtar S. Virdee
David G. Waterworth ✓
Kenneth H. Whalen E + DMO
Henry R. Wind E
T. W. Wriston E
John H. Anderson
Lawrence H. Barre
H. E. Belmont
Clayton E. Bowser
James R. Bozarth
Stephen W. Cook
Charles S. Earnshaw
Arne L. Hawkins
Royal W. Hazelton

C.J.

RECEIVED

625 Post Street, No. 609
San Francisco, Calif. 94109
August 12, 1979

JUN 16 AM 11:47

Mr. Richard Miller, Deputy DA
880 Bryant Street, Room 322.
San Francisco, Calif. 94105

Re: P G & E Good Government Fund

Dear Sir:

Immediately after my visit to you July 18th, I found it necessary to return east, and have not checked with the phone service to see if you had called. Having had no written communication either, I assume you may have "struck out" in getting four more people to quickly verify my story.

To assist you in realizing the ramifications of what I told you I am pleased to enclose copies of an article that appeared in the magazine "Chic" for September 1979, pages 16, etc, entitled "Sucking at the Big Business Tit"(you'll pardon the expression, I am sure)

The article completely verifies what I told you about the ability of a supervisor to see that management employees give the "right" amount, and also that big business is subverting the law in the way they give contributions.

Attached also is a copy of Supervisor Terry A. Francois letter to me of May 6, 1975 thanking me for my contribution. I will repeat, I wouldn't give money to him to run for dog catcher, but was ordered to do so in a public "Division Council" meeting, by Mr. John H Black, deceased. Most of the $100.00 contributors on the list I gave you were also given that order, and did so.

If you are not going to pursue this, please write and let me know the name of some other northern California District Attorney who you think might have the time and interest. It is a major "rip off" by dishonest corporate people to make sure the law is in their favor. A good example that irritates me is that I cannot loan you money at more than 10%, but a bank can charge us both 18%. What is fair about that one.?????

Sincerely

William B Hancock

William B. Hancock

cc: cc: Mr David Pitman,
Secretary of State' office
Political Reform Division
1230 J Street, Sacto, 95814,

Mr. Scott Thorpe, Attorney General's Office,
555 Capitol Ave. Sacramento, 95814

Mr. Bob Blazier, Attorney
FPPC 1100 K Street, Sacto 95814

2-39

C.J.

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Ellis B. Langley, Jr., being duly sworn, deposes and says:

1. Since October of 1945, I have been employed by Pacific Gas and Electric Company. I currently serve as Senior Vice President-Operations. I also serve as chairman of the Managing Committee of the Pacific Gas and Electric Company Employees' Good Government Fund. ("Fund").

2. The Fund was formed in September 1974 and was initially designed to support only state and local candidates. In 1975, the Fund expanded its scope and began to support candidates for federal office. I have been one of the three members of the Fund Managing Committee since the initiation of the Fund. John H. Black was never a member of the Managing Committee.

3. The policy concerning the Fund has always been based upon wholly voluntary participation. As evidenced in written solicitations, participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities or any other aspect of employment. (See, for example, solicitation statement dated March 21, 1975; August 1, 1976, solicitation statement attached to April 12, 1978 letter from the Fund; November 1, 1979 solicitation statement attached to the November 15, 1979 letter from the Fund - Exhibits A, B, and C, respectively.) It is and has been the Company's and the Fund's policy to provide a copy of the most

2-40

recent version of the written solicitation to eligible employees.

4. In 1975, the members of the Managing Committee took part in informational meetings in which the Fund was explained to departments. The department people and division managers I met with were told to instruct eligible employees that the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has been made clear that such tactics have no place in discussions of the Fund.

5. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present or former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had previously been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

Ellis B. Langley Jr.

ELLIS B. LANGLEY, JR.

Subscribed and sworn to before me on July 3rd, 1980, in San Francisco, California.

Irene A. Gagne

OFFICIAL SEAL
IRENE A. GAGNE
NOTARY PUBLIC - CALIFORNIA
SANTA CLARA COUNTY
My comm. expires DEC 5, 1980

EXHIBIT A

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TWH

FROM THE DESK OF
JOE KELLY

March 21, 1975

DIVISION MANAGERS:

Attached please find a copy of the new "Good Government Fund" summary together with an application form for payroll deduction. This package should be reproduced as needed and made available to any employee inquiring about the program.

JKelly

cc: E. B. Langley, Jr.

0004623552

THE GOOD GOVERNMENT FUND

The GOOD GOVERNMENT FUND was formed in September 1974 as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California state income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Comptroller (who serves as Chairman and Treasurer), Vice President-Division Operations, and Vice President-Commercial Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and (commencing in 1975) federal office; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and their committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns at the discretion of the Managing Committee.

(2) Employees who prefer to designate the candidate to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign on behalf of the employees.

Employees who wish to make their donations directly to campaigns without using the FUND can join PGandE's INVEST IN DEMOCRACY program. Participants in IID receive free special checking accounts into which they can deposit personal funds or, if they prefer, have a small amount deposited automatically each month through payroll deduction. They can then use their special INVEST IN DEMOCRACY checks to make contributions from the funds they have accumulated to any political campaign or committee. If the employee wishes, IID checks can also be used to make contributions to the GOOD GOVERNMENT FUND or to individual candidates' campaigns and given to the FUND for it to transmit as intermediary.

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For further information on INVEST IN DEMOCRACY, employees should contact the Governmental and Public Affairs Department, Ext. 2754.

Participation in either the GOOD GOVERNMENT FUND or INVEST IN DEMOCRACY, or both, is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. However, for convenience in handling, if you are writing a check (rather than using payroll deduction) or asking the FUND to serve as intermediary for a check to a specific candidate's campaign, the minimum amount should be $10.00. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

The FUND has no legal obligation to disclose in its public filings any information when it serves as an intermediary for an employee who writes a check made payable directly to a candidate's campaign. However, in the spirit of disclosure, the FUND has adopted the policy of listing each candidate's campaign to which it transmitted contributions as an intermediary, together with the total amount contributed to the campaign. The FUND does not list the names of the individual contributors for whom it served as intermediary, but the recipient candidate's campaign probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100% of the contributions it receives from employees to support the campaigns of announced candidates, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1975 federal taxes (payable in 1976), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1975 California state income taxes (payable in 1976) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return), but there is no tax credit permitted.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through either their personal checking accounts or the INVEST IN DEMOCRACY program. Such contributions to ballot measure campaigns, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a particular political party, and in certain cases non-partisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1974, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be

supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

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PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new ___ revised____ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division _____

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EXHIBIT B

0004022558

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PACIFIC GAS AND ELECTRIC COMPANY

PG&E + 77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

April 12, 1978

Dear Fellow Employee:

1978 will be a critical year for all Californians.

This year, not only will we elect our Governor and the other statewide Constitutional officers, but also all eighty State Assemblymen, half of the State Senators, and the entire California delegation to the U. S. House of Representatives. The men and women elected this year will help to shape the course of state and national policy for many years to come, and it is vital that we, as citizens and as PGandE employees, personally support the best qualified candidates.

Often, however, a candidate worthy of support may be seeking office some place other than where we live, possibly outside of the Company's service territory. Similarly, a candidate may deserve or need more support than any one employee might be able to give.

For these reasons, several years ago PGandE formed the Good Government Fund, a voluntary employee political action committee through which participating employees can identify and support candidates for federal, state, and local office on a coordinated basis, pooling their donations through one committee. Through the Fund, candidates who have a balanced and effective approach to issues affecting the private enterprise system can be supported with contributions representing the combined donations of employees.

As an eligible "exempt" (monthly) employee, you are qualified to participate in the Good Government Fund. If you do not currently support the program, you may wish to do so in this important election year. If you are already a member, you may wish to increase your participation so that the Fund is able to support as many worthy candidates as possible.

Enclosed is a prospectus on the Fund containing full information about how you can participate and including a payroll deduction application. A copy of the Fund's 1977 "Transaction Report" in which all contributions to candidates are itemized is available in each Division Manager's office or from the office of F. A. Peter (Room 893, 77 Beale Street, San Francisco, Ext. 2476). Participation is, of course, entirely voluntary.

J. Y. DeYoung Chairman Good Government Fund	E. B. Langley, Jr. Assistant Treasurer Good Government Fund	F. A. Peter Treasurer Good Government Fund

Enclosures

THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September, 1974, as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates and official committees of political parties on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Customer Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and federal office and official committees of political parties; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates and committees should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns and official committees of political parties at the discretion of the Managing Committee.

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* A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D. C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P. O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106. All contributions to the Good Government Fund are subject to the limitations specified under Federal law.

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3-1-78

(2) Employees who wish to designate the candidate or committee to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give the FUND their checks made payable to the candidate's campaign or committee they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign or committee on behalf of the employees.

Participation in the GOOD GOVERNMENT FUND is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

WHO MAY PARTICIPATE IN THE GOOD GOVERNMENT FUND?

Any employee who is a PGandE shareholder, or whose spouse is a PGandE shareholder, may participate in the FUND (members of the Company's Savings Fund Plan are Company shareholders). Under federal law, however, an employee who is not a shareholder and whose spouse is not a shareholder may not participate in the FUND if he or she is (a) a "non-exempt" employee (that is, subject to the Fair Labor Standards Act), (b) an "exempt" employee who is a member of labor organization, or (c) a foreman who directly supervises "non-exempt" employees. Employees other than these may participate in the Fund whether or not they are shareholders.

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1977, a total of 809 employees participated in the FUND; 771 contributed directly to it, and 78 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates and committees. Of the 771 who gave directly to the FUND, the average annual donation was approximately $25.00.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates and committees. As a general rule, if you contribute to the FUND

an aggregate total of $50 or more in an eighteen month period, it may be necessary for the FUND to itemize the following information in these filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

Under Federal law, if you utilize the FUND as an intermediary for contributions made payable directly to individual candidates or committees, it will be necessary for the FUND to itemize your name, street address, and the identity of the candidate or committee to whom you contributed, regardless of the amount of the contribution. If the contribution is over $100, it will also be necessary to itemize your occupation and employer (PGandE, PGT, StanPac, or PSEA). This information will also be disclosed in the recipient campaign committee's disclosure statement.

Under California state law, the FUND has no obligation to disclose in its public filings any information when it serves as an intermediary. However, in the spirit of disclosure, the FUND has adopted the policy of listing each state and local candidate or committee to which it transmitted contributions as an intermediary, together with the total amount transmitted. In these state filings, the FUND does not list the names of the individual contributors for whom it served as intermediary but the recipient candidate or committee probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates and official committees of political parties, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1978 federal taxes (payable in 1979), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

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On 1978 California state income taxes (payable in 1979), you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return, provided that each party to the joint return contributes at least $100), but there is no tax credit.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through their personal checking accounts. Contributions to official ballot measure campaign committees, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a candidate's political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1977, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates and committees to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department
Room 640
77 Beale Street

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new _____ revised _____ authorization (check one).

I have received and read a copy of the "Good Government Fund" descriptive material dated March 1, 1978.

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

Job Classification _____

I am_____ am not_____ a PGandE shareholder (members of the Savings Fund Plan are PGandE shareholders).

I am_____ am not_____ a United States citizen or admitted for permanent residency in the United States.

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EXHIBIT C

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PACIFIC GAS AND ELECTRIC COMPANY

PG&E 77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

November 15, 1979

Dear Fellow Employee:

1980 will be a critical year for all Americans. Across the state and nation, we will be electing men and women who will help shape the course of local, state, and national policy for many years to come. It is vital that we, as citizens and as PGandE employees, personally support the best qualified candidates.

Often, however, a candidate worthy of support in a close race with a real chance to win may be seeking office some place other than where we live, possibly even outside of the Company's service territory. Many times that extra contribution can make the difference.

For these reasons, several years ago PGandE formed the Good Government Fund, a voluntary employee political action committee through which participating employees can support local, state, and federal candidates who have demonstrated a balanced and effective approach to government energy policy and other issues affecting the private enterprise system.

As an eligible "exempt" (monthly) employee, you are qualified to participate in the Good Government Fund. If you do not currently support the program, you may now wish to do so as we approach this important election year. If you are already a member, you may wish to increase your participation so that the Fund is able to support as many worthy candidates as possible.

Enclosed are a prospectus on the Fund outlining how you can participate, a payroll deduction application, and a form for your use in recommending candidates worthy of the Fund's support. A copy of the Fund's current "transaction report" itemizing all contributions to candidates is available for your inspection in each Division Manager's office or from the office of F. A. Peter (Room 893, 77 Beale Street, San Francisco, Extension 2476).

Your serious consideration of this important program is appreciated.

Sincerely,

E. B. Langley Jr.
E. B. LANGLEY, JR.
Chairman
Good Government Fund

J. Y. DE YOUNG
Assistant Treasurer
Good Government Fund

F. A. Peter
F. A. PETER
Treasurer
Good Government Fund

Enclosures

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THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September, 1974, as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates and official committees of political parties on a coordinated basis, pooling their donations through one committee. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Senior Vice President - Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President - Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and federal office and official committees of political parties; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates and committees should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the

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*A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P.O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106. All contributions to the Good Government Fund are subject to the limitations specified under Federal law.

11-1-79

2-58

attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates and official committees of political parties at the discretion of the Managing Committee.

(2) Employees who wish to designate the candidate or committee to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give the FUND their checks made payable to the candidate's campaign or committee they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign or committee on behalf of the employee.

Participation in the GOOD GOVERNMENT FUND is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

WHO MAY PARTICIPATE IN THE GOOD GOVERNMENT FUND?

Any employee who is a PGandE shareholder, or whose spouse is a PGandE shareholder, may participate in the FUND (members of the Company's Saving Fund Plan are Company shareholders). Under federal law, however, an employee who is not a shareholder and whose spouse is not a shareholder may not participate in the FUND if he or she is (a) a "non-exempt" employee (that is, subject to the Fair Labor Standards Act), (b) an "exempt" employee who is a member of a labor organization, or (c) a foreman or other lower level supervisor who directly supervises "non-exempt" employees. Employees other than these may participate in the Fund whether or not they are shareholders.

11-1-79

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IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1978, a total of 911 employees participated in the FUND; 858 contributed directly to it, and 58 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates and committees. Of the 858 who gave directly to the FUND, the average annual donation was approximately $28.00.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates and committees. As a general rule, if you contribute to the FUND an aggregate total of $100 or more in an eighteen month period, it may be necessary for the FUND to itemize the following information in its filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $100, the FUND will list your name along with those of all other employees who have contributed less than $100, but will not provide any further information of the kind required for contributors of $100 or more.

Under Federal law, if you utilize the FUND as an intermediary for contributions made payable directly to individual candidates or committees, it will be necessary for the FUND to itemize your name, street address, and the identity of the candidate or committee to whom you contributed, regardless of the amount of the contribution. If the contribution is over $100, it will also be necessary to itemize your occupation and employer (PGandE, PGT, StanPac, or PSEA). This information will also be disclosed in the recipient campaign committee's disclosure statement.

Under California state law, the FUND has no obligation to disclose in its public filings any information when it serves as an intermediary. However, in the spirit of disclosure, the FUND has adopted the policy of listing each state and local candidate or committee to which it transmitted contributions as an intermediary, together with the total amount transmitted. In these state filings, the FUND does not list the names of the individual contributors for whom it served as intermediary but the recipient candidate or committee probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE OR ELIGIBLE FOR TAX CREDIT?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates and official committees of political parties, contributions to the FUND are eligible for Federal income tax credit.

Under present law, for your 1979 federal taxes (payable in 1980), you will be allowed to take a tax credit for half of your contributions up to a maximum credit of $50 (representing contributions up to $100), or a maximum credit of $100 on a joint return (representing contributions up to $200).

On California state income taxes you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return, provided that each party to the joint return contributes at least $100), but there is no tax credit.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax credit, it must not donate to ballot measure campaigns. While the fund does not make such contributions, employees who wish to donate to ballot measures are encouraged to do so. Contributions to official ballot measure campaign committees, while not eligible for Federal income tax credit, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

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HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose views indicate they have a balanced and effective approach to government energy policy and other issues affecting the private enterprise system. No preference is given to a candidate's political party, and nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1978, the average FUND donation to candidates was less than $200).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are encouraged. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476) for a suggestion form. Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates and committees to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

11-1-79

2-62

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department
Room 640
77 Beale Street

Pursuant to the provisions of the "Good Government Fund" Voluntary political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new _____ revised _____ authorization (check one).

I have received and read a copy of the "Good Government Fund" descriptive material dated November 1, 1979.

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

Job Classification _____

I am _____ am not _____ a PGandE shareholder (members of the Savings Fund Plan are PGandE shareholders).

I am _____ am not _____ a United States citizen or admitted for permanent residency in the United States.

11-1-79

2-83

CANDIDATE CONTRIBUTION RECOMMENDATION

TO: F. A. PETER, Treasurer
GOOD GOVERNMENT FUND (Rm. 891, 77 Beale St., San Francisco)

I suggest that the Good Government Fund consider making a contribution of $_____ to:

Candidate: _____

Candidate's Party Affiliation _____

Office Sought _____

_____

Date of Election _____

Is this for a special event? If so, date _____

Committee Name (Check made payable to):

_____

_____

Committee Address: _____

_____

_____

_____

Committee Identification Number: _____

Name and Address of Committee Treasurer
(if I.D. number unavailable):

_____

_____

_____

* * * * * * * * * * * * * * * *

Check and letter to be forwarded to:

_____

_____

_____

Date of Request _____
Name: _____
Division/Dept. _____
Telephone Number _____

2-89

11/1/79

0 0 0 4 0 6 2 3 5 7 3

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Joseph Y. De Young, being duly sworn, deposes and says:

1. Since April of 1941, I have been employed by Pacific Gas and Electric Company. I am currently Vice President-Division Operations. I also serve as one of the three members of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

2. The policy concerning membership in the Fund has always been based upon wholly voluntary participation. As evidenced in written solicitations, participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment. It is and has been the Company's and the Fund's policy to provide a copy of the most recent version of the written solicitation to eligible employees.

3. In late 1974 and early 1975, the members of the Management Committee took part in informational meetings at which the Fund was explained to variouis departments. The department personnel I visited were told to instruct eligible employees that participation in the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination, or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has

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0004023574

been made clear that such tactics have no place in discussions of the Fund.

4. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present or former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had previously been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

Joseph Y. De Young

JOSEPH Y. DE YOUNG

Subscribed and sworn to before me on
July 2, 1980, in San Francisco, California.

Theodora Cooke

Theodora Cooke, Notary Public in and
for the City and County of San Francisco,
State of California

My Commission expires January 28, 1981

0004022375

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

F. A. Peter, being duly sworn, deposes and says:

1. Since 1965, I have been employed by Pacific Gas and Electric Company. I currently serve as Vice President and Comptroller. I also serve as one of the three members of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

2. The policy concerning the Fund has always been based upon wholly voluntary participation. Participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment. It is and has been the Company's and the Fund's policy to provide a copy of the most recent version of the written summary to eligible employees.

3. In late 1974 and early 1975, the members of the Managing Committee took part in informational meetings in which the Fund was explained to departments. The department people I visited were told to instruct eligible employees that the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has been made clear that such tactics have no place in discussion of the Fund.

4. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present of former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

F. A. PETER

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Howard M. McKinley, being duly sworn, deposes and says:

1. Since 1947, I have been employed by Pacific Gas and Electric Company. I currently serve as Vice President-Gas Operations. From December 1977 to March 1978, I served as Division Manager of the San Francisco Division, succeeding John H. Black.

2. I have never secured or attempted to secure contributions to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") by means of physical force, job discrimination, or reprisals or by any other threats or coercive tactics. I have never instructed or been instructed to use such tactics and have never been told that such coercion was used by anyone in the Company, including John H. Black.

3. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Howard M. McKinley

HOWARD M. MC KINLEY

Subscribed and sworn to before me on
July 31st, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

J. A. Fairchild, being duly sworn, deposes and says:

1. Since 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Manager of the San Francisco Division, having been appointed to my present position on July 1, 1978. I succeeded Howard M. McKinley, currently, Vice President-Gas Operation.

2. During my time as Division Manager, I have never secured or attempted to secure contributions to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals or by any other threats or coercive tactics. I have never instructed or been instructed to use such tactics and have never been told that such coercion was used by anyone in the Company, including John H. Black.

3. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

J. A. Fairchild

J. A. FAIRCHILD

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

Maria Elena R. Varela

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Walter J. Farrell, being duly sworn, deposes and says:

1. Since July 1963, I have been employed by Pacific Gas and Electric Company ("PGandE"). From July 1974 to March 1978, I served in the San Francisco Division office, and reported to John H. Black, the Division Manager. I am not, nor have I ever been, a member of the Pacific Gas and Electric Company Employees' Good Government Fund's ("Fund") Managing Committee.

2. Part of my San Francisco Division duties included familiarizing eligible San Francisco Division personnel with the Fund. In so doing, I did not secure or attempt to secure any contributions to the Fund from any employee, including Mr. Hancock, by physical force, job discrimination, financial reprisals, or threats of such force, discrimination, or reprisals, or by any other threats or coercive tactics. I was never instructed to use such measures by John H. Black or any officer, manager, or employee of PGandE, nor did I ever personally hear or was ever told that Mr. Black or any person used such measures.

3. On the contrary, on several occasions I specifically informed division personnel that participation in the Fund was voluntary. For example, in August of 1975, I sent a written solicitation to the San Francisco Division Council, (which

included Mr. Hancock) which stated that "Participation in . . . the Good Government Fund . . . is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities and any other aspect of employment." (Solicitation, p. 2.)

4. The written solicitation was attached to a memorandum written by me in which I stated that "Employee participation is entirely voluntary." In writing this memorandum (a copy of which is attached hereto as Exhibit A), it was not my intent to threaten employees with financial reprisal or job discrimination, but instead to inform the recipient of the importance of participating in the political process. The memorandum was drafted by me. It was not suggested or approved by the Managing Committee of the Fund.

5. No employee has ever complained to me that he or she contributed to the Fund due to physical force, job discrimination, financial reprisal or threats of such force, discrimination, or reprisal. At one point in 1974 or 1975, Mr. Hancock, to the best of my recollection, mentioned his salary rate to me in an informal conversation and gave me the impression that he may have felt that his contribution to the Fund was high in relation to his salary. I responded in words to the effect that the amount of the contribution "was up to him." He made no statements indicating he felt that he had been coerced by Mr. Black and I did not state, either to him or anyone else, that any particular amount was required.

6. Since March, 1978, I have been assigned to a department within the General Office. I am no longer involved in Fund activities.

Walter J. Farrell

WALTER J. FARRELL

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Bonnie K. Duffy, being duly sworn, deposes and says:

1. Since February of 1965, I have been employed by Pacific Gas and Electric Company.

2. From March 1971 to October 12, 1977, I served as division secretary to John H. Black, San Francisco Division Manager.

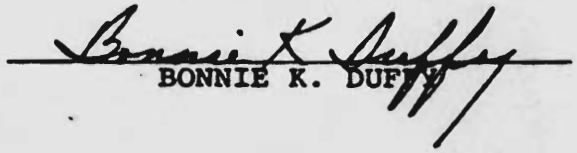
3. Prior to his death on October 12, 1977, Mr. Black was incapacitated for several months. His last working day in the office was June 3, 1977. From then until his death, he was either in the hospital or at his residence.

4. Between June 3, and October 12, 1977, I saw Mr. Black on several occasions in the hospital and at his residence to discuss business and deliver company mail. I do not recall any discussion of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") during this time and a review of division files does not indicate that Mr. Black took any action with respect to the Fund.

5. In the over six years I reported to Mr. Black, I never saw or heard him or any other person use or threaten to use physical force, job discrimination or financial reprisals to secure contributions to the Fund. No one has ever complained to me that a contribution to the Fund had been secured by such

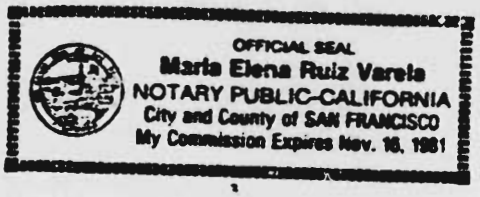
methods.

6. Review of the file indicates that Mr. Black received the attached summary of the Fund. The initials "JHB" are Mr. Black's. My stamp indicates he received the summary on March 25, 1975.



BONNIE K. DUFFY

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.



AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Bonnie K. Duffy, being duly sworn, deposes and says:

1. Since February of 1965, I have been employed by Pacific Gas and Electric Company.

2. From March 1971 to October 12, 1977, I served as Division Secretary to John H. Black, San Francisco Division Manager. I presently serve in the same capacity to J. A. Fairchild.

3. Review of pertinent files indicates that the following persons were members of the San Francisco Division Council at one time or another between 1974 and 1977: M. A. Balke; R. G. Bouret; W. J. Farrell; W. B. Hancock; J. Kinder; L. T. McKelvey; C. A. Miller; R. H. Jones; E. V. Lathrop; K. V. Hayes; F. J. Regan; A. F. Vial; K. E. Robin; R. C. Metcalf; K. H. Whalen; J. H. Black; and W. A. Mc Candless.

Bonnie K. Duffy

BONNIE K. DUFFY

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Max A. Balke, being duly sworn, deposes and says:

1. Since November 1950, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Coast Valleys Division Steam Superintendent.

2. From 1973 to July 1, 1980, I was Division Steam Superintendent, San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I do not contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), but have in the past.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. I do recall that suggested contribution guidelines were discussed between peers

and that there may have been a suggestion by my peers to contribute approximately $100.00 per year; but at no time was I told by anyone that this amount was required to be contributed.

6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

7. I also recall receiving the attached letter from W. J. Farrell dated August 6, 1975, together with the fact sheet. I did not then or now feel forced or coerced to contribute by nature of that letter or attachment.

Max A. Balke

MAX A. BALKE

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

0004025587

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY OF SAN FRANCISCO)

Ray G. Bouret, being duly sworn, deposes and says:

1. From November 1952 to 1980, I was employed by Pacific Gas and Electric Company ("PGandE"). I recently retired from the Company.

2. From 1968 to 1970, I was Executive Representative to the San Francisco Division Manager. From 1970 to 1980, I served as Administrative Assistant to the San Francisco Division Manager. In both of these capacities, I sat as a member of the San Francisco Division Council.

3. I did contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

4. No PGandE officer, manager, or employee ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I never instructed or was instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I was never instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor did I personally do so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear

understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

6. I recall receiving the attached August 6, 1975, memorandum from Walter J. Farrell. I did not feel threatened or coerced by the memorandum.

RAY G. BOURET

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

James Kinder, being duly sworn, deposes and says:

1. Since November, 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Personnel Manager for the San Francisco Division.

2. From 1972 to the present, I have been a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), but have done so in the past.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have personally never done so. I have never been told by any present or former employee that such coercion was used by anyone in the Company. However, within the last six months, I have seen material apparently written by William B. Hancock which includes references to the Fund and contributions to it, but I don't presently recall the details. I believe that the contributions made by the Managing Committee of the Fund which is affiliated with a regulated utility will, in most cases, have a beneficial effect on the election of responsible candidates. I also believe that participation in the

Fund will advance the interests of an employee through the election of responsible candidates who support the free enterprise system and, particularly, private ownership of utilities.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. I recall that J. H. Black suggested contribution guidelines, but specifically emphasized the voluntary nature of contributions to the Fund and directed that subordinates be instructed that the Fund was voluntary

6. It has always been my understanding that the policy of the Company and the Fund is that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment. I have never made a personnel recommendation based on participation or lack of participation in the Fund.

James Kinder

JAMES KINDER

Subscribed and sworn to before me on July 9th, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Leo T. McKelvey, being duly sworn, deposes and says:

1. Since February 25, 1952, I have been employed by Pacific Gas and Electric Company ("PGandE").

2. Since 1965, I have been the San Francisco Division Manager of General Services, and, in that capacity, sit as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). At one time or another, during the years 1974 through 1977, I did contribute to the Fund.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. When I was first introduced to the Fund, I was advised that participation in it was entirely voluntary. Later,

I recall receiving the attached letter from W. J. Farrell, dated August 6, 1975, together with fact sheet. I at no time felt coerced or forced to contribute by nature of Mr. Farrell's letter or any other written or oral statement from any person.

6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Leo T. McKelvey

LEO T. MC KELVEY

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Richard Henry Jones, being duly sworn, deposes and says:

1. Since May 1936, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Gas Superintendent, San Francisco Division.

2. From June 1976 to the present, I have sat as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I did contribute previously, but discontinued contribution in 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

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have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Richard H Jones

RICHARD HENRY JONES

Subscribed and sworn to before me on July 8th, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

Maria Elena R. Varela

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Edward V. Lathrop, being duly sworn, deposes and says:

1. Since August 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Marketing Manager in the San Francisco Division.

2. Since March of 1977, I have been a member of the San Francisco Division Council.

3. I contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

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have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Edward V Lathrop

EDWARD V. LATHROP

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth Victor Hayes, Jr., being duly sworn, deposes and says:

1. Since 1966, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently an Administrative Analyst in the PGandE General Office.

2. From August 1, 1977, to February 1, 1979, I was an Administrative Analyst in the San Francisco Division Manager's Office and in that capacity sat as a member of the San Francisco Division Council.

3. I have contributed to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") for several years.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund, nor have I personally done so. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, I have been advised on several occasions that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

FRANK J. REGAN

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Frank J. Regan, being duly sworn, deposes and says:

1. Since 1968, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently assigned to the Energy Conservation and Services Department of the General Office.

2. From August 1976 to August 1977, I served as a Special Representative to J. H. Black, Manager of the San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I began contributing in mid-1979.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present of former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Kenneth Victor Hayes Jr.

KENNETH VICTOR HAYES, JR.

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

OFFICIAL SEAL
María Elena Ruiz Vareta
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

María Elena R. Vareta

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY OF OAKLAND)

Albert F. Vial, being duly sworn, deposes and says:

1. Since June 1939, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently District Manager, Central District, East Bay Division.

2. From 1971 to March 1978, I was District Manager, Northern San Mateo County, San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I did contribute in 1974, 1975, 1976 and 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

6. I recall receiving the attached memorandum of August 6, 1975, from Walter J. Farrell. I did not feel then and do not feel now that the memorandum was in any way coercive.

Albert F. Vial

ALBERT F. VIAL

Subscribed and sworn to before me on July 8th, 1980, in Oakland, California.

C. Warren Fuller

C. WARREN FULLER

OFFICIAL SEAL
C. WARREN FULLER
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN ALAMEDA CO.
My Commission Expires Oct. 29, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth E. Robin, being duly sworn, deposes and says:

1. Since 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently San Francisco Division Customer Service Manager.

2. From September 1974 to the present, I have been a member of the San Francisco Division Council.

3. I began contributing to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") on or about September 1974 and, with the exception of 1976, have contributed ever since.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics, nor have I personally done so. I have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear

understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation , classification, promotion, job responsibilities, or any other aspect of employment.

6. I recall receiving the attached memorandum of August 6, 1975, from Walter J. Farrell. I did not feel then or now that the memorandum or attachment was in any way coercive.

KENNETH E. ROBIN

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Robert C. Metcalf, being duly sworn, deposes and says:

1. Since February 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently, and have been since 1973, the Credit Manager of San Francisco Division.

2. In 1973, I became a member of the San Francisco Division Council. I no longer attend meetings, but did so in the years 1974 through 1977.

3. I do not contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I have done so in the past and did so at one time or another between 1974 and 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics, have never been told by any present or former employee that such coercion was used by anyone in the Company, nor have I personally ever employed coercive tactics on anyone.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been

told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. Though I have no specific recollection of dates or persons involved, I believe suggested contribution guidelines were discussed, but at no time was I told by John H. Black or anyone else that a particular amount was required.

6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Robert C. Metcalf

ROBERT C. METCALF

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth H. Whalen, being duly sworn, deposes and says:

1. Since December 26, 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently San Francisco Division Electric Superintendent.

2. From February 1, 1969, to the present, I have been San Francisco Division Electric Superintendent and in that capacity sit and have sat as a member of the San Francisco Division Council.

3. While I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), I did make contributions to the Fund in earlier years.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the fund. I have never used such tactics nor have I ever instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. While initially a suggested amount was advanced, it was only a suggestion without any indication of it being a required

2-99

amount; nor was it connected with any threats or evidence of coercion or force.

5. I recall receiving a written statement describing the Fund and its voluntary nature at or about the time the Fund was first introduced. I also recall receiving the attached letter from W. J. Farrell dated August 6, 1975, together with fact sheet. I did not then or now feel forced or coerced to contribute by nature of that letter or attachment or any other oral or written statement from any person.

6. On the contrary, it has always been my clear understanding that participation in the Fund and the extent of such participation is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment. It was and continues to be my feeling that a political contribution program such as the Fund is an essential Company activity. This form of involvement in the political process serves both my best interests and those of the Company.

Kenneth H. Whalen

KENNETH H. WHALEN

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

State of California)
) ss:
City of Fresno)

William A. McCandless being duly sworn, deposes and says:

1. Since January 1955 I was employed by Pacific Gas and Electric Company ("PGandE"). Prior to that time I was an employee of Coast Counties Gas and Electric Company. From 1967 to 1977 I served as Marketing Manager, San Francisco Division and in that capacity sat as a member of the San Francisco Division Council. I retired from the Company on February 1, 1977.

2. I did contribute to the Pacific Gas and Electric Company employees' Good Government Fund ("FUND").

3. No PGandE officer, manager, or employee ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination or reprisals to secure or attempt to secure contributions from me to the FUND. I never instructed nor was I instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company in order to secure contributions to the FUND. While there was no expressed or implied coercion or force, nor even a subtle hint of such, whenever a Company program which may involve employee participation, such as the FUND, was presented by a Company representative, I felt, that as a loyal employee, I was obliged to give it serious consideration.

4. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the FUND, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the FUND. Although a suggested guideline of approximately $100 per year was discussed amongst

the Division Council, I was told each time the FUND was discussed by John Black or anyone else that participation and the extent of such participation in the FUND was entirely voluntary.

5. It has always been my clear understanding that participation and the extent of such participation in the FUND is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

William A. McCandless

WILLIAM A. McCANDLESS

SUBSCRIBED AND SWORN BEFORE ME ON

July 8, 1980 in Fresno, California

Jerry J. Wong

OFFICIAL SEAL
JERRY J. WONG
NOTARY PUBLIC, CALIFORNIA
NOTARY BOND FILED IN
FRESNO COUNTY
My Commission Expires July 17, 1981

5/21/80

Dear Ex fellow Employee: THIS COULD HAPPEN TO YOU!!!

After 11 years of hard work for the company, when I was "fireproof, I wasn't. I never received the June 21st letter, as I was in the east from June 12th through July 16th.

The following things happened:

1. I didn't get my June expense check until October
2. I didn't get my vacation pay until October, from the Labor Commiss
3. The State of Nevada had to force PG&E (PSE) to pay me 32 weeks of disability at $146.00 per week (just ran out)
4. I didn't get my first retirement pay until December (due July 1st)
5. I didn't get my stock until December.
6. 1st Disability check in September, due August 1st, they said, not June 21st.
7. They opened my 1st class personal mail after I was fired, and then mailed it to me with buck slips. (violation of postal regulations
8. They lied to the labor commission about my whereabouts.
9. My retirement pay is $321.06 per month. That is my total income!!
10. They harassed me all over the country with wrong addresses, lies about me, making me come to SF to get my retirement card. then telling me I couldn't have it, are still mailing to at least 3 addresses. Room 743 still sends me mail, even though I asked Pete Gerstle to ask them to stop.
11. PSE Credit Union confiscated my $2,499 of savings, then threatened to foreclose my motor home. (may still do it)
12. PSE Let me pay $3,700 more than book for the motorhome last June than book value (they looked in the wrong book)
13. My car was repossessed.
14. Bank of America bounced 11 checks on me
15. Barclays Bank is suing me for over $1,300 for a bill I don't owe.
16. My soon to be ex-wife got a default judgement against me in December because I had no money to hire an attorney. She has stolen over $70,000 from me (sold my dad's stamp collection worth over $70,000 for $500 after breaking into my locked file cabinet.)
17. I collapsed 8/27/79 in St Mary's hospital, Reno, from stress, was in a coma, alone for 2 days in October in Reno, collapsed for 24 hours last Christmas day, and can't sleep, eat, or afford to live right now, and I cannot get a job.
18. The company owes me over $1½ million on a suggestion to convert the fleet to Propane, or natural gas twice, and will not even let me know 20 vehicles are on test in Belmont. This is a violation of the suggestion plan. I made it twice, and they can't find the 1st one, so will claim they only owe me $25,000. I was on the Suggestion Committee for 4 years.
19. I was demoted, as soon as John Black died (even before) in 1977 instead of being promoted as he directed J Cooper, J DeYoung, E Lathrop and J Kinder to do. I have a witness to that.

It is a violation of standard practice 762.3-9

5/21/80

20. I was forced by John Black to give $100.00 per year to the Good Government fund, plus $25.00 to Terry Francios, which I am told is a criminal offense.

21. They got a Burns Guard (or whatever) to keep me out of the annual meeting on threat of arrest, when I had my proxy in my pocket. I called the S.E.C., and the Commission on that.

22. Two guards almost threw me out of 77 Beale St last week when I was talking to Ted Fuller, editor of the progress

23. Malcolm Furbush, Bob Ohlbach, and Dan Gibson said many insulting untrue things about me at the C.P.U.C. I've got Malcolm on 7 counts of written perjury right now.

24. I never received the yellow tag firing me. I was transferred to th retirement payroll in December, backdated to July 1st.

25. I am now an official protester at the Commission on all rate cases. I have been a witness for the company, on 2 rate cases, in each one at the judges request. I know where all the bodies are buried. I cost the company $121.5 million on the last ECAC TURN cost them the other $100 million.

26. I am going to "blow them out of the water" on that STUPID ZIP program of free money for 20 years or longer in San Joaquin, paid for by the rest of us stupid ratepayers. This will be in the hearings on May 28th. The company will learn that day they are going to have a price fixing anti-trust suit filed against them, perhaps for about $50 million, and not by me. It will be a turkey shoot.

27. I have filed or caused to be filed class action Age, Sex, and minority discrimination suits, Federal and State Political Practices suits, and a Federal Compliance complaint, plus my own Suit, case 10838 dated February 24, 1980 at the commission. It is over 100 pages long, and cost me $269.00 so far to file it. I am my own attorney

28. I had to sell my stock at a loss to keep going, and am about broke, but still fighting.

29. NOW-IF YOU CARE, DO A COUPLE OF THINGS. First, make ten copies of this packet and give it to ten other employees, as I can't afford it. Second, file your own complaints at the following addresses. YOU ARE PROTECTED FROM RETALIATION FROM THE COMPANY BY FEDERAL LAW.

Age Discrimination: EEOC, 3rd floor
Fox Plaza, 1390 Market,
San Francisco, Ca. 94102 — Mr. Gale . Bosche

Sex Discrimination — ditto — Mr. Glen Cochran

Minority discrimination and demotion, etc — ditto and also

US Dept of Labor
Office of Federal Contract Compliance
Federal Building Roome 11435
450 Golden Gate Ave
San Francisco, Calif. 94102 — Mr. James W Chin

29. cont'd

Good Government fund forced to give.	U S Attorney's Office Andrea Metcalf 16th Floor 450 Golden Gate Ave San Francisco, Calif. 94102
ditto State	Fair Political Practices Comm. PO Box 807 Sacramento, Calif. 95814 Attn: Jim Mc Manus, Chief Investigator
ditoo, and:	your local District Attorney, or City Attorney
Anything about the lousy way those turkeys are running the company, such as dishonesty by executives, waste, poor job conditions, nepotism, inefficiency, you name it	William B. Hancock, Case No 1083 c/o Diane Elder, Docket Office, 5th floor, C. P. U. C. 455 Golden Gate Avenue, San Francisco, Calif. 94102

30. If you care about me continuing this, please include a buck, 5 or ten bucks with your letter to me, if you want to help. I'll pay you back when I get some money from my wife, or the company if you want to loan it to me. If not, I'll donate anything left over to United way, if you will let me.

Your stock is going to go to "hell in a handbasket" if I continue fighting the company on all fronts. I served with General George S. Patton Jr. as a P. F. C. in 1944-5, and as Mr. Mielke already knows, compared to me, General Patton is a soft pussycat. You should see the letters written about me being mad last June 7th. I wasn't mad, Mr. Mielke, I was just "funnin". If you ever get me mad, mister, it is inadvisable to be in front of me when I start toward you. I am presently doing 22 mph in a 55 mile zone. Don't get me up to 55, Mr. Mielke, or Board of Directors. I do not give quarter to liars and thieves.

The company has successfully kept many papers, and TV stations from printing my story, but it will break and when it does, the public is going to "come off the walls" even if you stockholders don't. Remember:

ONE MAN--WITH COURAGE--IS A MAJORITY!!!!!

I AM THAT MAN

31. They did worse to my friend Bill Cheatham of Personnel since I was fired. Do you care--enough??

William B Hancock

United Way Chairman Savings Bond Chairman SF Chamber of Commerce Soliciter (most memberships in history, won trip to Hawaii	Sweet William or "Wild Bill" Steam System Engineer, Energy Utilization Engineer, Administrative Analyst, SF Div Fired ex-employee

00402236114

A complaint was recently filed before the Public Utilities Commission demanding that California's greatist supplier of energy , (P.G.E.), show just cause, or at least give a few good reasons , for the contention that it has had an attitude of negligency over the past decade. Filed by one of it's own retired engineers, the complaint charges the company with bad management and a ten year policy of total complacency towards creeping inflation, impen--ding energy shortages and the projected needs of it's customers.

Robert Ohlbach, of P.G.E.s Associate General Counsel, has been named as a chief defendant in the matter along with the other officers in the company. He has been given 30 days, (since March 5th), to explain to the P.U.C., and the complainant, why P.G.E, when offered a cheap source of energy in the Sonoma Geyser Project, waited instead for the Union Oil Co. to move in and share the contract negotiations with them. He is also being asked to explain why P.G.E, with many different kinds of resources available to produce marketable energy, has taken such great pains to tie it's ratepayers and stockholders to an index based on the price of coal, oil and natural gas. (According to the complaint, O.P.E.C.s control of these prices,enevitably, cost ratepayers hundreds of millions of dollars.).

Describing P.G.E.s management as "woefully inadequate in many areas" the complaint recites a long list of circumstances, past and present, whereby it claims that the different depts. within the Co. have;

1- Willfully ignored the requests of the C.P.U.C..
2- Tried to hide savings from it's ratepayers.
3-Refused to cooperate with other companies, (such as the S.M.U.D.) in trying to lower energy prices through joint effort.
4- Operated antique equipment, (in the Sanfrancisco Area), with total disregard for public safety.

0004023615

5- Wasted money on systems that never worked.
6- padded invoices.
7- discriminated against people for age, and not ability.
8- Ignored good suggestions from energy conservation minded employees.
9- Stuffed audit programs with inadequately trained personel.
10- Punishing low grade personel for management violations in order to sweep incidences"under the rug".

Continuing, in a dramatic way, its critisims of the way the company treats it's own personel, the complaint charges P.G.E. with ignoring immediate conservation suggestions from it's employees and then using them later without rewarding the person who made them. (The case of reducing the energy use of 77 Beale St., which P.G.E. is now advertising, is listed as one of these incidents.).

Since lack of good management is listed in the complaint as being primarily responsible for the multitude of sins that the Co. is being charged with:it's exibits include a letter from a former division manager,(John H. Black), that seemingly served to delegate his responsibilities to his secretary, B.K. Duffy. According to this exibit, the whole S.F. division was run by a non-executive employee for a year and 7 months.
Another exibit, in the complaint, includes a statement by A.L.J. Gillanders made during a hearing . "I would'nt want to have to spell it out clearly in any detail for the world to read, but ,at this stage of the game, I would have to point out the inadequacies of the internal management of P.G. E.,

All of these management failures,as contended by the complaint, (and including the poor treatment of it's own personel), are related to the present utility rates now paid by P.G.Es customers.

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Some courses of action suggested by the complainant include;

1- The issuance of subpeona's for the personal records of many, high ranking officials in the company.
2- The auditing of the records of the San Joaquin Division by an outside firm.
3- An ongoing investigation of the Commission of the company's affirmative action program.
4- A cancilation of the company's Energy Audit program until experienced engineers can be hired.
5- The issuance of an order ceasing all commute driving in company cars unless personel are on call.
6- The conversion of gasoline powered company cars to dual fuel vehicles.
7- Submission of a list of all energy conservation suggestions recieved by P.G.E. since 1970.
8- An audit of the P.S.E. Credit Union to determine staffing and quality of personel.
9- Reduction of the size of the design, drafting and engineering departments.
10- Auditing of the "Good Government Fund" by outside auditors.
11- Open negotiations with the city of Alameda to buy their electric system.
12- The stopping of non essential company publications and advertising until cash flow is improved.

SUMMARY

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STATE OF NEW YORK

DOCKET NUMBER

SESSION LAWS OF NEW YORK

1975 LEGISLATION

EXHIBIT P

Case No. 10839

PACIFIC GAS AND ELECTRIC COMPANY

245 MARKET STREET · SAN FRANCISCO, CALIFORNIA 94106 · (415) 781-4211 · TWX 910-372-6587

J. A. "ART" FAIRCHILD
DIVISION MANAGER

July 10, 1979

CERTIFIED
NOT RECEIVED
RETURNED

Mr. William B. Hancock
625 Post Street, #609
San Francisco, CA 94109

Dear Bill:

In my letter to you dated June 21, 1979, it was stated that it was necessary for you to contact your supervisor or other authorized Company personnel within a ten day period, beginning June 21, in order for you to have continued employment with the Company. Since you have not attempted to report to work or communicate with us during that time, your employment with the PGandE Company is hereby terminated. Your termination will be made retroactive to your last day of sick leave, June 21, 1979.

In the past your supervisor and I have expressed our concerns about your behavior and offered assistance to you. As an example, on May 9, 1979, Jerry and I met with you to discuss your behavior at the Steam Study Committee meeting the previous day. During our meeting, we expressed our concern and offered the services of an Employee Assistance Counselor to you, LIE which you refused. After your actions of June 7, 1979, we again attempted to arrange a meeting for you with an Employee Assistance Counselor to advise and assist you. We went so far as to schedule a subsequent appointment for you for examination by our Company LIE physician. We attempted to arrange this through your physician, Dr. Robert Kimmich. You refused to meet with the Counselor and go to our Company doctor. You have not communicated with me or your supervisor since that time. You also continued to perform unauthorized activities contrary to our instructions while on sick leave. HOW COULD I??

BULLSHIT!

Please forward your Identification badge and Company keys to me as soon as possible. Your payroll check for the month of June 1979 is enclosed, as well as your personal check for $70.00 that you forwarded to Mr. F. W. Mielke with your letter of June 7, 1979.

It is necessary for you to complete Company forms concerning the final disposition of your participation in the Employee Benefit Plans to which you belong. As soon as these have been prepared, they will be forwarded to you for completion. A check for any unused vacation that you are entitled to will also be mailed directly to you.

Sincerely,

E. V. Lathrop

E. V. Lathrop
Division Marketing Manager

EVL:kmn
bcc: RAClark
JSCooper
JAFairchild

EXHIBIT R Case No. 10838

June 11, 1979

Mr. E V Lathrop

Mr. G Tyson has been harassing me about my work since May 2, 1979. I have tried to conform to his wishes, but they change every time he talks with me.

I have an appointment with my doctor June 12, 1979 to discuss the situation. I will submit the doctor's recommendations as soon as I have talked with him.

William B Hancock

William B Hancock
Energy Utilization Engineer

0 0 0 1 0 0 2 3 6 2 0

2-111

WBH: Please bring in for NSA [illegible]

[illegible] 5/7

5/8/79

Gerry:

I would like to request two weeks off without pay for personal business on the East Coast starting Monday May 14, 1979. I have nothing pressing, as my seminar this Friday will be over, and there is nothing scheduled that I know of, that must be done. I would appreciate this as my dad is 89 years old and in good health, but I can visit him while there on the business. I would rather see him alive now, that go back to a funeral later. Thanks for the consideration.

Bill Hancock

REFUSED!

WOULD HAVE SAVED ME FROM BEING FIRED!

&

LOSING $70,000 PLUS $20,000 THIS PAST 11 MONTH

2-112

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William B. Hancock
523 Sutter St., No. 900
San Francisco, CA 94102

Re: MUR 1248

Dear Mr. Hancock:

The Federal Election Commission has reviewed the allegations of your complaint dated June 10, 1980 and determined that on the basis of the information provided in your complaint that there is no reason to believe that a violation of the Federal Election Campaign Act of 1971 as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code has been committed.

Accordingly, the Commission has decided to close the file in this matter.

Should additional information come to your attention which you believe establishes a violation of the Act, please contact Victor Sterling, the attorney assigned to this matter at 523-4175.

Sincerely,

Charles N. Steele
General Counsel

0004023622

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Malcolm H. Furbush, Esq.
Vice President and General
Counsel
Pacific Gas and Electric Company
Law Department
77 Beale Street
San Francisco, CA 94104

Re: MUR 1248

Dear Mr. Furbush:

On , 1980, the Commission notified you of a complaint alleging that Pacific Gas and Electric Company may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission on , 1980, determined that on the basis of the information in the complaint and information provided by you that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

2-114

00040223623

EXECUTIVE SESSION
August 5, 1980

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 4, 1980

MEMORANDUM TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Amendment to First General Counsel's Report - MUR 1248 Agenda Item, August 5, 1980 Executive Session, Commission Harris' Objection

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The words "or cash" should be deleted from the last complete sentence on page 2 of the First General Counsel's Report on MUR 1248 so that it will now read as follows:

> Although they do set a minimum contribution of ten dollars if a check is the mode of payment, employees are free to contribute less than ten dollars by using payroll deduction as the mode of payment.

The fact that the Good Government Fund does not accept cash does not alter our recommendation because, in the language of 11 C.F.R. 114.5(a)(2)(ii), employees are "free to contribute more or less than the guidelines suggest" by using payroll deduction as the mode of payment. The Fund's guideline also meets the test applied in AO 1980-69 and proposed AO 1980-74 in that there is sufficient clarity as to how the prospective donor should indicate an amount other than ten dollars (compare proposed AO 1980-74, page 4, lines 22, 23).

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: JULY 30, 1980

SUBJECT: OBJECTION - MUR 1248 - First General Counsel's Report dated 7-28-80; Received in OCS 7-28-80, 4:47

The above-named document was circulated on a 48 hour vote basis at 11:00, July 29, 1980.

Commissioner Harris submitted an objection at 4:17, July 29, 1980.

This matter will be placed on the Executive Session Agenda for Tuesday, August 5, 1980.

80040223625

July 28, 1980

MEMORANDUM TO: Marjorie W Emmons

FROM: Jane Colgrove

SUBJECT: MUR 1248

Please have the attached First General Counsel's Report on MUR 1248 distributed to the Commission on a 48 hour tally basis.

Thank you.

8004022362 6

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington. D.C. 20463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

FIRST GENERAL COUNSEL'S REPORT

80 JUL 28 P4: 47

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION JUL 28 1980

MUR # 1248
DATE COMPLAINT RECEIVED
BY OGC June 16, 1980

STAFF MEMBER Sterling

COMPLAINANT'S NAME: William B. Hancock

RESPONDENT'S NAME: Pacific Gas and Electric Company (PG and E)
PG and E Good Government Fund

RELEVANT STATUTE: 2 U.S.C. § 441b(b)(3)(A)

INTERNAL REPORTS CHECKED: Reports of PG and E Good Government Fund

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

Complainant, a former employee of PG and E, alleges that during the years 1974 through 1977 his then supervisor forced him to contribute to the company's separate segregated fund, the PG and E Good Government Fund.

FACTUAL AND LEGAL ANALYSIS

Complainant alleges that during the period from 1974 through 1977 he was forced to contribute $100 dollars per year at a rate of $10 per month to the PG and E Good Government Fund by his division manager, Mr. John Black, who died in October 1977. He also alleges that other employees were forced to contribute $10 per month, and that Mr. Walter J. Farrell collected the forced contributions. In support of the allegations, he submitted copies of disclosure reports indicating that a number of PG and E employees had contributed $100 dollars during the period from January 1977 through May 1978. He later submitted to this office copies of his own notes representing that other employees had contributed varying amounts to the fund. He submitted no evidence to support his claim that Black forced him or others to contribute, nor did he name witnesses.

80040223627

In its extensive and documented response, PG and E denied that the complainant or any employee had been coerced into contributing to the Good Government Fund. In support of this denial PG and E submitted copies of the Good Government Fund summary distributed to employees. The summary emphasizes that participation in the Fund is voluntary and contains the following language with respect to the amounts of contributions.

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

> There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. However, for convenience in handling, if you are writing a check (rather than using payroll deduction) or asking the Fund to serve as intermediary for a check to a specific candidate's campaign, the minimum amount should be $10.00. If you join via payroll deduction, you can request that any amount be withheld each month.
>
> In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

In addition, PG and E submitted affidavits from 19 of its employees, including an affidavit from Walter J. Farrell and one from William McCandless, a retired employee. In each instance, the employee denied coercion by the company and knowledge of coercion of other employees to contribute to the Fund.

PG and E also submitted copies of documents authored by the complainant which suggest that he is engaged in harassment of PG and E. Specifically, he has complained about various aspects of the company's operations to the 1) California Secretary of State, 2) California's Attorney General, 3) California's Fair Political Practices Division, and 4) California's Public Utilities Commission. In one document addressed to employees of the company, complainant's allegations appear incoherent, ranging from discussion of his divorce suit to a charge that the company owed him 1.5 million dollars for a suggestion he made.

Based on the company's response and the documentation, there is no evidence that PG and E coerced employees to contribute to the Fund in violation of 2 U.S.C. § 441b(b)(3)(A). The guidelines provided to the employees make it clear that neither participation nor non-participation nor the amount of contribution will affect an employee's job status. The guidelines as to amount of contribution are clearly suggestions. Although they do set a minimum contribution of ten dollars if a check is the mode of payment, employees are free to contribute less than ten dollars by using payroll deduction or cash as the mode of payment. This is in keeping with the Commission's

0 0 0 4 0 2 3 6 2 8

regulation at 11 C.F.R. §114.5(a)(2)(ii). PG and E produced numerous affidavits to the effect that John Black did not coerce employees to contribute; the complainant provided neither witnesses nor documentary evidence to support his allegation. Complainant suggests that retired employees of the Division be contacted because current employees would be reluctant to admit that they were forced to give to the Fund. However, in light of the signed and sworn statements of the current employees and one retired employee, it does not seem advisable to pursue this matter further.

RECOMMENDATIONS

It is recommended that the Commission:

1. Find no reason to believe that respondents violated 2 U.S.C. § 441b(b)(3)(A)

2. Send the attached letters

3. Close the file and take no further action

Attachments

1. Complaint
2. Response of respondent with attachments referred to in report. A complete copy of the response is with the Commission's Secretary.
3. Letters (2)

00012362 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William B. Hancock
523 Sutter St., No. 900
San Francisco, CA 94102

Re: MUR 1248

Dear Mr. Hancock:

The Federal Election Commission has reviewed the allegations of your complaint dated June 10, 1980 and determined that on the basis of the information provided in your complaint that there is no reason to believe that a violation of the Federal Election Campaign Act of 1971 as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code has been committed.

Accordingly, the Commission has decided to close the file in this matter.

Should additional information come to your attention which you believe establishes a violation of the Act, please contact Victor Sterling, the attorney assigned to this matter at 523-4175.

Sincerely,

Charles N. Steele
General Counsel

8004022630

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Malcolm H. Furbush, Esq.
Vice President and General
Counsel
Pacific Gas and Electric Company
Law Department
77 Beale Street
San Francisco, CA 94104

Re: MUR 1248

Dear Mr. Furbush:

On , 1980, the Commission notified you of a complaint alleging that Pacific Gas and Electric Company may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission on , 1980, determined that on the basis of the information in the complaint and information provided by you that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

00422236 31

RECEIVED

533 Sutter St. Suite 900
San Francisco, Calif. 94102
June 10, 1980

80 JUN 16 AM 11:46

Federal Election Commission
1325 K St. N. W.
Washington, D. C. 20005

C08467

Attention: Complaint Section:

Gentlemen:

I wish to enter a complaint against Pacific Gas & Electric Co., 245 Market St. Room 714, and 77 Beale St. Corporate Headquarters, 32nd floor, San Francisco, Calif. 94106.

During the years 1974 through 1977, I was forced to contribute to the "Good Government Fund" by the Division Manager, John H. Black, since deceased. At the time, I was Administrative Analyst, San Francisco Division, on Mr. Black's staff. Those of us on the staff were ordered to contribute $100.00 per year at a rate of $10.00 per month. Mr. Walter J. Farrell, Representative, was the "bag man" who collected the checks each month. Prior to the Federal Election Campaign Act of 1974, we contributed directly, as is evidenced by my letter from Supervisor Terry A. Francois Committee, dated May 6, 1975, enclosed, thanking me, a resident of Richmond California, contributing to a San Francisco Supervisoral candidate.

We were instructed each month in a staff meeting to make out checks for Mr. Farrell to pick up, usually to the fund. As evidence of the pattern of giving, note Exhibit D, dated 4/24/78 through 5/22/78, which shows that all of Mr. Black's staff gave $100.00 cumulative from 1/1/77 except Mr. A F Vial, District Manager, who gave an extra $10.00. This pattern can be found thruout the company's 13 divisions, and headquarters Giving was based upon what a manager told his subordinates to pay to the fund.

Your investigators could peruse the records at the California Secretary of State's Office if further information is necessary. Please also note the audit report for the period from January 2, 1976 through December 31, 1976. As a member of the fund, I would not have approved giving to Senator Briggs, or in the 4/24 through 5/22/78, an enequal amount to Quentin Kopp, as compared to Diane Feinstein.

Present employees of PG&E will be reluctant to admit they are forced to give. Retirees or separated employees would be more willing to confirm that pattern, if necessary. Please note my letter of August 12, 1979 to Richard Miller, Deputy DA, San Francisco, and the article from "Chic" magazine, which details Justin Dart's comments on how to provide guidlines on giving. I was forced to give $100.00 on less than $23,000 annually, while my Vice President was giving $80.00 on a salary of over $65,000. Joseph Kelly, of the Audit Committee gave $60.00 in 1976 on a greater salary than mine.

This complaint has been brought to the attention of Directors of PG&E, in a C. P. U. C. action by me February 24, 1980, and the company on April 4, 1980 denied it, and asked that it be dismissed. The company is, therefore willfully pursuing the use of this PAC to their own ends, in spite of my complaint. I feel civil and criminal action should occur. I swear the above data is true to the best of my knowledge and belief.

Sincerely

William B Hancock

William B. Hancock
(Phone 415 982-7375)

ENCL: Ex E, Francois, Ex, D. (3 pages) Attach. A. 2 of 6, 4/24, Attach. B, 4 of 12, ltr R Miller, Article "Sucking at the Big Business Tit". Sept 79

2.00402363 2

State of Ca.
County of Marin } ss.

On this the 10th day of June 19 80, before me, Cynthia Jernigan the undersigned Notary Public, personally appeared William B. Hancock

known to me to be the person(~~s~~) whose name(~~s~~) is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Cynthia Jernigan

OFFICIAL SEAL
CYNTHIA JERNIGAN
NOTARY PUBLIC - CALIFORNIA
MARIN COUNTY
My comm. expires JUL 20, 1982

GENERAL ACKNOWLEDGEMENT FORM

EXHIBIT E

CASE NO. 1.V.238

RECEIVED

Committee to Re-Elect

SUPERVISOR TERRY A. FRANCOIS

FULTON STREET
SAN FRANCISCO, CALIF. 94110
(415) 552-3151

JUN 16 AM 11:46

May 6, 1975

Mr. William Handcock
848 - 34th Street
Richmond, California

Dear Mr. Handcock:

Thank you for your contribution to my campaign. Your support is most gratifying to me.

I have every hope that this campaign will be as successful as my last one, and early assistance from people like yourself is very encouraging.

Thank you again.

Sincerely,

Terry A. Francois

Terry A. Francois

mc

C.J

0004022634

EXHIBIT D

CASE NO. 10838

NAME Good Government Fund

I. D. NUMBER COMMITTEE) 744249

Statement Covers Period From 4/24/78 through 5/22/78

SCHEDULE A, FORM 420 or 430
(continued) (continuation of Part 2, Page 4)

PART 2 - RECEIVED FROM OTHERS: (See information manual for directions and examples)

DATE 1978	FULL NAME AND ADDRESS (Street, City, State) OF CONTRIBUTOR	OCCUPATION	EMPLOYER (IF CONTRIBUTOR IS SELF-EMPLOYED LIST STREET ADDRESS & CITY OF BUSINESS)	AMOUNT RECEIVED	CUMULATIVE AMOUNT From 1/1/77
	Max A. Balke 1000 Evans Avenue San Francisco, CA 94124	Superintendent	PGandE	$ -0-	$ 100.00
	John H. Black 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	60.00
	Walter J. Farrell 245 Market Street San Francisco, CA 94106	Representative	PGandE	-0-	100.00
	Richard H. Jones 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
	James Kinder 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Edward V. Lathrop 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	L. T. McKelvey 2225 Folsom Street San Francisco, CA 94110	Manager	PGandE	0	100.00
	R. C. Metcalf 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Kenneth E. Robin 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
4/24	A. F. Vial 450 Eastmoor Avenue Daly City, CA 94015	Manager	PGandE	10.00	110.00
	Kenneth H. Whalen 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
5/19	Thomas E. Riddle 1030 Detroit Concord, CA 94518	Manager	PGandE	10.00	80.00

C.S

EXHIBIT D CASE NO. 10836

State of California
FRANCHISE TAX BOARD
Sacramento, CA 95867
(916) 355-0480

AUDIT REPORT FOR COMMITTEE:

Good Government Fund
77 Beale Street, Room 891, San Francisco, CA 94106

January 2, 1976 through December 31, 1976

TREASURER: Frank A. Peter
77 Beale Street, Room 891, San Francisco, CA 94106

REPRESENTATIVES: Joseph Kelly
77 Beale Street, Room 3091, San Francisco, CA 94106

Thomas High
77 Beale Street, Room 3008, San Francisco, CA 94106

Michael Moe
77 Beale Street, Room 540 K, San Francisco, CA 94106

AUTHORITY FOR AUDIT

This audit is mandated by Section 90001(e) of the California Government Code.

BACKGROUND INFORMATION

The Good Government Fund is an independent, ongoing committee. It supports any candidate whose views coincide with that of the enrolled membership.

The audit was conducted in the corporate headquarters of Pacific Gas and Electric Company at 77 Beale Street in San Francisco. The statements were prepared and the records were maintained in the accounting department, also at 77 Beale Street. Assistance during the audit was provided by Joseph Kelly and Thomas High.

RECORDKEEPING

Michael Moe maintains records in accordance with the Fair Political Practices Commission Regulations. The reliability of the records was adequate.

C.J.

NAME Good Government Fund EXHIBIT D I.D. NUMBER (If Committee) 744249 CASE NO. 1 0 3 3 0

Statement covers period from 5/25/76 through 8/5/76

SCHEDULE E, FORM 420 or 430
PAYMENTS (continuation of Part 1, Page 8)

(Amounts may be rounded off to whole dollars)

PART 1 – MADE TO COMMITTEES: (See information manual for directions and examples)

OFFICIAL USE ONLY	FULL NAME OF PAYEE COMMITTEE AND I.D. NUMBER (If the committee has no I.D. Number, state full name and address of the Treasurer)	AMOUNT THIS PERIOD
	Briggs for Senate Committee State Senator I. D. #745829	$ 300.00
	Friends of Pete Chacon State Assemblyman I. D. #741730	200.00
	Committee to Re-Elect Deddeh State Assemblyman I. D. #742129	200.00
	Friends of Jim Slemons State Assemblyman I. D. #760197	200.00
	William Dannemeyer for Assembly Committee State Assemblyman I. D. #760335	200.00
	Vicencia Committee State Assemblyman I. D. #745693	200.00
	Committee to Re-Elect Assemblyman Duffy State Assemblyman I. D. #741302	200.00
	Committee to Elect Bill Thomas State Assemblyman I. D. #743207	200.00
	Committee To Re-Elect Bob Cline State Assemblyman I. D #743650	200.00
	Friends of Arnett Committee State Assemblyman I. D. #741007	200.00
	Calvo Campaign Committee State Assemblyman I. D. #742922	200.00
	Citizens for Hayden Committee State Assemblyman I. D. #741457	200.00

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 1, part 3, page 9) $ 2,500.00

CS

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

RECEIVED

78 JUN 16 AM 11:46

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Richard Robinson-State Assembly 72nd A.D.	x Support Oppose	$ -0-	$ 250.00
Mike Roos-State Assembly 46th A.D.	x Support Oppose	-0-	200.00
La Verne Schneider-Member, San Luis Obispo City Council	x Support Oppose	-0-	100.00
Stephen Solomon-Member, Salinas City Council	x Support Oppose	-0-	100.00
Don Talley-Trustee, Cuesta Community College	x Support Oppose	-0-	50.00
Gene Chappie-State Assembly 3rd A.D.	x Support Oppose	-0-	200.00
William Campbell-State Senate 33rd S.D.	x Support Oppose	-0-	250.00
March Fong Eu-Secretary of State	x Support Oppose	-0-	200.00
Assembly Republican Political Action Committee - Various Republican State Assembly Campaigns	x Support Oppose	-0-	500.00
John W. Homdahl-State Senate 8th S.D.	x Support Oppose	-0-	200.00
James R. Mills-State Senate 40th S.D.	x Support Oppose	-0-	500.00
Charles E. Bott-Stockton City Council	x Support Oppose	-0-	100.00
Alan Robbins-State Senate 20th S.D.	x Support Oppose	-0-	200.00
Diane Feinstein-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	400.00
Quentin Kopp-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	50.00
Alister McAlister-State Assembly 25th A.D.	x Support Oppose	-0-	300.00
William M. Thomas-State Assembly 33rd A.D.	x Support Oppose	-0-	200.00
John A. Nejedly-State Senate 7th S.D.	x Support Oppose	-0-	100.00
Ella Hill Hutch-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	250.00

C

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Gary Borvice-Supervisor, Board of Supervisors San Francisco	x Support Oppose	$ -0-	$ 250.00
Lee Dolson-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	350.00
John F. Foran-State Senate 6th S.D.	x Support Oppose	-0-	150.00
S. Floyd Mori-State Assembly 15th A.D.	x Support Oppose	200.00	300.00
Victor Calvo-State Assembly 21st A.D.	x Support Oppose	-0-	200.00
Henry J. Mello-State Assembly 28th A.D.	x Support Oppose	-0-	200.00
United Republican Finance Committee of San Francisco-Various Republican State Campaigns	x Support Oppose	-0-	1,000.00
Lonnie Washington-Member, Richmond City Council	x Support Oppose	-0-	100.00
Robert Wherritt-Member, Salinas City Council	x Support Oppose	-0-	100.00
Ted C. Wills-Mayor, City of Fresno	x Support Oppose	-0-	100.00
Wilson Riles-State Supt. of Public Instruction	x Support Oppose	-0-	200.00
Ron Bates-Daly City City Council	x Support Oppose	-0-	50.00
Tom Kitayama-Mayor, City of Union City	x Support Oppose	-0-	100.00
Ron Pelosi-Supervisor, Board of Supervisors, San Francisco	x Support Oppose	-0-	300.00
Margaret Kozkowski-Mayor, City of San Bruno	x Support Oppose	-0-	50.00
Tony Governale-San Bruno City Council	x Support Oppose	-0-	50.00
Tom Ricci-San Bruno City Council	x Support Oppose	-0-	50.00
Art Lapore-Millbrae City Council	x Support Oppose	-0-	50.00

RECEIVED
'CD JUN 16 AM 11:47

Name: T e Good Government Fund
I. D. #744249
Statement Covers Period From: January 1, 1977 through June 30, 1977

Walter J. Farrell ✓ DMO
Donald R. Field E
Gordon E. Fiske S
Louise Fletcher M
Robert H. Fohlen M
Ronald E. Grasser E
William Hamil
William B. Hancock ✓DMO
Robert H. Hatch S
James J. Hillyer
Samuel G. Holmes
Richard H. Jones G + DMO
John J. Kamariotis E
James Kinder P
Manfred Kranse
Edward V. Lathrop M + DMO
Walter J. Leslie
J. K. Lieber S
Konstantin K. Lobodovsky M
Rex B. Luce
Charles Makar CS
Thomas H. Mason

Gary K. McCurdy
Robert W. McDermott
L. T. McKelvey GS + DMO
W. J. McLean
R. C. Metcalf CS
F. R. Milam E
Andrew C. Millpointer S
John R. Monaco S
Fremont D. Nash S
Norman Ossman
Billy R. Overstreet E
Robert M. Pederson
Donald W. Peerson M
George M. Poulo GS
J. A. Pridmore S
Daniel J. Quinlan, Jr. M
Clyde J. Richards E
Kenneth E. Robin CS + DMO
Melvin J. Rodrigues GS
M. H. Samii S
John C. Sander E
Phillip H. Sigmund E

Neal A. Solloway E
Adrian L. Sommerville S
R. E. Thompson E
Wallace G. Tring
R. N. Tucker M
Gerald Tyson M
D. F. Veihmeyer G
A. F. Vial DISTMGR + DMO
Avtar S. Virdee
David G. Waterworth ✓
Kenneth H. Whalen E + DMO
Henry R. Wind E
T. W. Wriston E
John H. Anderson
Lawrence H. Barre
H. E. Belmont
Clayton E. Bowser
James R. Bozarth
Stephen W. Cook
Charles S. Earnshaw
Arne L. Hawkins
Royal W. Hazelton

C.J.

RECEIVED

625 Post Street, No. 609
San Francisco, Calif. 94109
August 12, 1979

0 JUN 16 AM 11:47

Mr. Richard Miller, Deputy DA
880 Bryant Street, Room 322.
San Francisco, Calif. 94105

Re: P G & E Good Government Fund

Dear Sir:

Immediately after my visit to you July 18th, I found it necessary to return east, and have not checked with the phone service to see if you had called. Having had no written communication either, I assume you may have "struck out" in getting four more people to quickly verify my story.

To assist you in realizing the ramifications of what I told you I am pleased to enclose copies of an article that appeared in the magazine "Chic" for September 1979, pages 16, etc, entitled "Sucking at the Big Business Tit"(you'll pardon the expression, I am sure)

The article completely verifies what I told you about the ability of a supervisor to see that management employees give the "right" amount, and also that big business is subverting the law in the way they give contributions.

Attached also is a copy of Supervisor Terry A. Francois letter to me of May 6, 1975 thanking me for my contribution. I will repeat, I wouldn't give money to him to run for dog catcher, but was ordered to do so in a public "Division Council" meeting, by Mr. John H Black, deceased. Most of the $100.00 contributors on the list I gave you were also given that order, and did so.

If you are not going to pursue this, please write and let me know the name of some other northern California District Attorney who you think might have the time and interest. It is a major "rip off" by dishonest corporate people to make sure the law is in their favor. A good example that irritates me is that I cannot loan you money at more than 10%, but a bank can charge us both 18%. What is fair about that one.?????

Sincerely

William B Hancock

William B. Hancock

cc: cc: Mr David Pitman,
Secretary of State' office
Political Reform Division
1230 J Street, Sacto, 95814,

Mr. Scott Thorpe, Attorney General's Office,
555 Capitol Ave. Sacramento, 95814

Mr. Bob Blazier, Attorney
FPPC 1100 K Street, Sacto 95814

C.S.

00402236641

EXC#
1799

533 Sutter St. No 900
San Francisco, Calif. 94102
June 25, 1980

WILLIAM B. HANCOCK

Federal Election Commission
1325 K St. NW
Washington, D. C. 20463

Attention: Charles N. Steele, General Cousel

Smith

Dear Sir:

Your letter of June 18th, leaves me with a feeling of apprehension that my complaint will be "swept under the rug" in the mill of bureauocracy. As a result, I am enclosing further data I have accumulated on PG&E, to make sure that your staff member realizes the extent of PG&E management's involvement in hiding the way they force contributions.

The document is in my handwriting, dated 4/18/80, and lists the people at PG&E who gave (very partial list), and who the money was given to. Mr. Farrell, 2. gave until 1977, at which time he was no longer bag man, and then changed jobs. He no longer gave in his new job. Mr Bouret, also gave until his boss, J.H. Black died,

Mr. Howatt is Sacramento Division Manager, making about $50,000 per year. Mr. Wong works in Energy conservation at about $30,000.

Mr. Kelly. attorney, and member of the audit committee is in the $50,000/ year bracket, but Mr. DeYoung VP is in the $80,000 bracket, but gives less than Mr. Cooper, who was his subordinate.

If your investigator could come out here and go to the Secretary of State's office I can show violations by more than 20 firms, including Bank of America, Crocker, Wells Fargo, Bohannon Development, Southern Pacific, Walter Shorenstein, Dart Industries, Long Drugs, Occidental, and many others, and also conflict of interest in politicians receiving, such as the Attorney General who has not investigated my 8/13/79 complaint. He received very much PAC money. You don't bite the hand that feeds you.

This goes to the heart of our electoral process, and according to many observers, will rule the country if not stopped.

Are you a "paper tiger", or can I depend on a fair shake???

Sincerely

William B Hancock

William B. Hancock

Encl: Good Government, Getting and Giving
Attachment A, page 1 Of 6, ID 744249, 4/24-5/22/78

PS: PG&E HAS FORBIDDEN ALL EMPLOYEES TO TALK WITH ME.

GETTING

GOOD GOVERNMENT FUND 4/18/80

J S COOPER MANAGER CUM

5/23 - 6/23/78 FROM 1/1/77 $ 365

7/21 - 9/22/78 7/1/78 75

76 1-2 $60 5/21 $20 8 $20 - 9 $20 CUM 1/1/76 ~~$0~~ ~~140~~ 240

6-7/76 40 11-12 6-

12/31/78 $ 150

12/31/79 $ 300

D GIBSON ATTY GEN COUNSEL PGT

6/5 - 6/22/78 CUM 1/77 $ 315

7/25 8/30 7/1/78 $ 50

5/21/76 10-12 $ 10 50

6-7 8-10 9-10 20 ~~70~~ 120

CUM 77 165

ASST GC PGE 12/31/78 $ 150

79 $ 325

CUM CG

J Y DEY VP

5/23 - 6/23 $ 180

5/21/76 10 50

6-7 9-10 20 70

5 10 120

12/31/78 60

12/31/79 $ 120

I

0004022643

2

W J FARRELL REP
5/23/75 - 6/30/75 1/1/77 $ 100

LATHROP MGR
IN 75 FROM 1/1/77 $120
12/31/75 $ 60
12/31/79 $ 120

BOURET
1/1/77 $60

0004022364 4

3

			CUM
HOWATT	76		60
78 FROM	1/1/77	$	90 —
	12/31/77		60

WONG	76		60
	1/1/77	$	90

KELLY	76		60
78 FROM	1/1/77	$	95
	12/31/77	$	60
	12/31/79	$	120

ALTMAN	6-7/76 8-0	20 11-10	50
	1/1/77	$	100
FOR	12/31/77		50

III

0004022364 5

4

~~SFRC~~

SFRCL VT

1/1/77 - ~~8~~ 75

12/31/77 75

GRASSER ~~8~~ 72

CUNNINGHAM ~~8~~ 72

BERNLAND ~~8~~ 72

M BOWLER ADMIN ~~8~~ 72

IV

.0040223645

5

RADFORD 1/1/77 $100

WILBUR SHINNER 1/1/77 $65

PAUL BAILEY 1/1/77 $54 —

BRAND 1/1/77 $54

V

0004022 3 6 4 7

6

PRIDMORE 1/1/72 $ 54

J DUNCAN 1/1 $50-

VI

00040223648

I GOOD GOVERNMENT FUND

4/18/81

GIVING COMM FOR PENSI 79 $ 750 -
COMMITTEE RON $ 750

MOLINARI 1/76-2/76 50
1/1/77 $ 500

COMM 12/31/77 50
200

JL SUPV " $ 400
COMM 79 $ 175
JL M-SF BOARD $ 425

MILLS 12/31/77 COMM. $ 500
" $ 500

DIANE - SUPV 12/77 $ 400
FEINSTEIN FOR SUP 12/31/77 $ 400
FEINSTEIN S
78 $ 400

HOPP - SUPV $ 50
COMM FOR HOPP 12/31/77 $ 50

HOPP $ 50

HUTCH $ 250

VII

0004022649

71

DOLSON	78	$	350
COMM FOR D	12/31/77		250
DOLSON SUPV	"		250
COMM FOR	79	$	550
LEE D	79		750
RILES		$	200
YOUNGER CURB-78	12/31/78	$	1,670 —
BROWN	"		500
MIME CURB VARIOUS		$	500
CAMPAIGN COMM	76	$	300
WILLIE BROWN		$	200
FRIENDS OF DAN WHITE	78	$	250
DAN WHITE	78	$	250
EU - SECTY	12/31/77	$	200
EU	~~76 - 4/76~~	$	200
EU	77	$	200
78 DINNER	77	$	250
HER	77		250
12/31/77 DINNER			200
M FEU	12/31/78 VIII		250

0004022650

III

GONZALES 4/75 - 5/75 COM $500
RC FOR SUPV 12/31/77 $150
BOB G SUPV 12/31/77 400
GONZ CAMP COM 12/31/77 $250
BOBE " 500
BARBAGELATA 1-2/76 $465-

MOSCORE CAMP 77 $210
MOSCORE DINNER $300

STEDSAGNOS 76 $200
AGNOS 76 $200

18TH ASSY DIST FUND MCCARTHY $500 COM 76
LT MCCARTH $500 COM 76
12/79 LT ASSY $600

IX

0004022365 1

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date
1. Expenditures in the form of transfers to state and local candidates not yet disclosed by the Good Government Fund in a post election statement filed in connection with elections in which the recipients were seeking elections.			
Alfred E. Alquist-State Senate 11th S.D.	x Support Oppose	$ -0-	$ 350.00
John Bee-Member, Oakland City Council	x Support Oppose	-0-	200.00
Daniel Boatwright-State Assembly 10th A.D.	x Support Oppose	-0-	200.00
Fred F. Cooper-Alameda County Board of Supervisors	x Support Oppose	-0-	400.00
Tom Corcoran-Member, Richmond City Council	x Support Oppose	-0-	100.00
Wadie P. Deddeh-State Assembly 80th A.D.	x Support Oppose	-0-	100.00
Democratic Advisory Committee - Various Democratic State Campaigns	x Support Oppose	-0-	1,000.00
Ralph C. Dills-State Senator 28th S.D.	x Support Oppose	-0-	500.00
Charles Goady-Member, Oakland Board of Education	x Support Oppose	-0-	100.00
Bob Gonzales-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	500.00
Dan Greco-Member, Richmond City Council	x Support Oppose	-0-	100.00
Lorenzo Hoopes-Member, Oakland Board of Education	x Support Oppose	-0-	100.00
John L. Molinari-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	500.00
Richard Nevins-Member, California State Board of Equalization	x Support Oppose	-0-	150.00
Lou Papan-State Assembly 19th A.D.	x Support Oppose	100.00	300.00
Robert Presley-State Senate 34th S.D.	x Support Oppose	-0-	250.00
Helen Putnam-Mayor, City of Petaluma	x Support Oppose	-0-	150.00

RECEIVED

533 Sutter St. Suite 900
San Francisco, Calif. 94102
June 10, 1980

80 JUN 16 AM 11:46

Federal Election Commission
1325 K St. N. W.
Washington, D. C. 20005

C08467

Attention: Complaint Section:

Gentlemen:

I wish to enter a complaint against Pacific Gas & Electric Co., 245 Market St. Room 714, and 77 Beale St. Corporate Headquarters, 32nd floor, San Francisco, Calif. 94106.

During the years 1974 through 1977, I was forced to contribute to the "Good Government Fund" by the Division Manager, John H. Black, since deceased. At the time, I was Administrative Analyst, San Francisco Division, on Mr. Black's staff. Those of us on the staff were ordered to contribute $100.00 per year at a rate of $10.00 per month. Mr. Walter J. Farrell, Representative, was the "bag man" who collected the checks each month. Prior to the Federal Election Campaign Act of 1974, we contributed directly, as is evidenced by my letter from Supervisor Terry A. Francois Committee, dated May 6, 1975, enclosed, thanking me, a resident of Richmond California, contributing to a San Francisco Supervisoral candidate.

We were instructed each month in a staff meeting to make out checks for Mr. Farrell to pick up, usually to the fund. As evidence of the pattern of giving, note Exhibit D, dated 4/24/78 through 5/22/78, which shows that all of Mr. Black's staff gave $100.00 cumulative from 1/1/77 except Mr. A F Vial, District Manager, who gave an extra $10.00. This pattern can be found thruout the company's 13 divisions, and headquarters Giving was based upon what a manager told his subordinates to pay to the fund.

Your investigators could peruse the records at the California Secretary of State's Office if further information is necessary. Please also note the audit report for the period from January 2, 1976 through December 31, 1976. As a member of the fund, I would not have approved giving to Senator Briggs, or in the 4/24 through 5/22/78, an enequal amount to Quentin Kopp, as compared to Diane Feinstein.

Present employees of PG&E will be reluctant to admit they are forced to give. Retirees or separated employees would be more willing to confirm that pattern, if necessary. Please note my letter of August 12, 1979 to Richard Miller, Deputy DA, San Francisco, and the article from "Chic" magazine, which details Justin Dart's comments on how to provide guidlines on giving. I was forced to give $100.00 on less than $23,000 annually, while my Vice President was giving $80.00 on a salary of over $65,000. Joseph Kelly, of the Audit Committee gave $60.00 in 1976 on a greater salary than mine.

This complaint has been brought to the attention of Directors of PG&E, in a C. P. U. C. action by me February 24, 1980, and the company on April 4, 1980 denied it, and asked that it be dismissed. The company is, therefore willfully pursuing the use of this PAC to their own ends, in spite of my complaint. I feel civil and criminal action should occur. I swear the above data is true to the best of my knowledge and belief.

Sincerely

William B. Hancock

William B. Hancock
(Phone 415 982-7375)

ENCL: Ex E, Francois, Ex, D. (3 pages) Attach. A. 2 of 6, 4/24, Attach. B, 4 of 12, ltr R Miller, article "Sucking at the Big Business Tit". Sept 79

State of Ca.
County of Marin } ss.

On this the 10th day of June 19 80, before me, Cynthia Jernigan the undersigned Notary Public, personally appeared William B. Hancock

known to me to be the person(s) whose name(s) is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Cynthia Jernigan

OFFICIAL SEAL
CYNTHIA JERNIGAN
NOTARY PUBLIC - CALIFORNIA
MARIN COUNTY
My comm. expires JUL 28, 1982

GENERAL ACKNOWLEDGEMENT FORM

EXHIBIT E

CASE NO. 10,838

RECEIVED

Committee to Re-Elect

SUPERVISOR TERRY A. FRANCOIS

[illegible] FULTON STREET
SAN FRANCISCO, CALIF. 94110
(415) 552-3151

JUN 15 AM 11:46

May 6, 1975

Mr. William Handcock
848 - 34th Street
Richmond, California

Dear Mr. Handcock:

Thank you for your contribution to my campaign. Your support is most gratifying to me.

I have every hope that this campaign will be as successful as my last one, and early assistance from people like yourself is very encouraging.

Thank you again.

Sincerely,

Terry A. Francois

Terry A. Francois

mc

C.J

00402265

EXHIBIT D

CASE NO. 10838

NAME Good Government Fund I. D. NUMBER COMMITTEE) 744749

Statement Covers Period From 4/24/78 through 5/22/78

SCHEDULE A, FORM 420 or 430

(continued) (continuation of Part 2, Page 4)

PART 2 - RECEIVED FROM OTHERS: (See information manual for directions and examples)

DATE 1978	FULL NAME AND ADDRESS (Street, City, State) OF CONTRIBUTOR	OCCUPATION	EMPLOYER (IF CONTRIBUTOR IS SELF-EMPLOYED LIST STREET ADDRESS & CITY OF BUSINESS)	AMOUNT RECEIVED	CUMULATIVE AMOUNT From 1/1/77
	Max A. Balke 1000 Evans Avenue San Francisco, CA 94124	Superintendent	PGandE	$ -0-	$ 100.00
	John H. Black 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	60.00
	Walter J. Farrell 245 Market Street San Francisco, CA 94106	Representative	PGandE	-0-	100.00
	Richard H. Jones 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
	James Kinder 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Edward V. Lathrop 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	L. T. McKelvey 2225 Folsom Street San Francisco, CA 94110	Manager	PGandE	0	100.00
	R. C. Metcalf 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Kenneth E. Robin 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
4/24	A. F. Vial 450 Eastmoor Avenue Daly City, CA 94015	Manager	PGandE	10.00	110.00
	Kenneth H. Whalen 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
5/19	Thomas E. Riddle 1030 Detroit Concord, CA 94518	Manager	PGandE	10.00	80.00

C.S

EXHIBIT D CASE NO. 10836

State of California
FRANCHISE TAX BOARD
Sacramento, CA 95867
(916) 355-0480

AUDIT REPORT FOR COMMITTEE:

Good Government Fund
77 Beale Street, Room 891, San Francisco, CA 94106

January 2, 1976 through December 31, 1976

TREASURER: Frank A. Peter
77 Beale Street, Room 891, San Francisco, CA 94106

REPRESENTATIVES: Joseph Kelly
77 Beale Street, Room 3091, San Francisco, CA 94106

Thomas High
77 Beale Street, Room 3008, San Francisco, CA 94106

Michael Moe
77 Beale Street, Room 540 K, San Francisco, CA 94106

AUTHORITY FOR AUDIT

This audit is mandated by Section 90001(e) of the California Government Code.

BACKGROUND INFORMATION

The Good Government Fund is an independent, ongoing committee. It supports any candidate whose views coincide with that of the enrolled membership.

The audit was conducted in the corporate headquarters of Pacific Gas and Electric Company at 77 Beale Street in San Francisco. The statements were prepared and the records were maintained in the accounting department, also at 77 Beale Street. Assistance during the audit was provided by Joseph Kelly and Thomas High.

RECORDKEEPING

Michael Moe maintains records in accordance with the Fair Political Practices Commission Regulations. The reliability of the records was adequate.

C.J.

NAME Good Government Fund EXHIBIT D I.D. NUMBER (Committee) 744249 CASE NO. 10538

Statement covers period from 5/25/76 through 8/5/76

SCHEDULE E, FORM 420 or 430

PAYMENTS (continuation of Part 1, Page 8)

(Amounts may be rounded off to whole dollars)

PART 1 – MADE TO COMMITTEES: (See information manual for directions and examples)

OFFICIAL USE ONLY	FULL NAME OF PAYEE COMMITTEE AND I.D. NUMBER (If the committee has no I.D. Number, state full name and address of the Treasurer)	AMOUNT THIS PERIOD
	Briggs for Senate Committee State Senator I. D. #745829	$ 300.00
	Friends of Pete Chacon State Assemblyman I. D. #741730	200.00
	Committee to Re-Elect Deddeh State Assemblyman I. D. #742129	200.00
	Friends of Jim Slemons State Assemblyman I. D. #760197	200.00
	William Dannemeyer for Assembly Committee State Assemblyman I. D. #760335	200.00
	Vicencia Committee State Assemblyman I. D. #745693	200.00
	Committee to Re-Elect Assemblyman Duffy State Assemblyman I. D. #741302	200.00
	Committee to Elect Bill Thomas State Assemblyman I. D. #743207	200.00
	Committee To Re-Elect Bob Cline State Assemblyman I. D #743650	200.00
	Friends of Arnett Committee State Assemblyman I. D. #741007	200.00
	Calvo Campaign Committee State Assemblyman I. D. #742922	200.00
	Citizens for Hayden Committee State Assemblyman I. D. #741457	200.00

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 1, part 3, page 9) $ 2,500.00

CS

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

RECEIVED
78 JUN 16 AM 11:46

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Richard Robinson-State Assembly 72nd A.D.	x Support Oppose	$ -0-	$ 250.00
Mike Roos-State Assembly 46th A.D.	x Support Oppose	-0-	200.00
La Verne Schneider-Member, San Luis Obispo City Council	x Support Oppose	-0-	100.00
Stephen Solomon-Member, Salinas City Council	x Support Oppose	-0-	100.00
Don Talley-Trustee, Cuesta Community College	x Support Oppose	-0-	50.00
Gene Chappie-State Assembly 3rd A.D.	x Support Oppose	-0-	200.00
William Campbell-State Senate 33rd S.D.	x Support Oppose	-0-	250.00
March Fong Eu-Secretary of State	x Support Oppose	-0-	200.00
Assembly Republican Political Action Committee - Various Republican State Assembly Campaigns	x Support Oppose	-0-	500.00
John W. Homdahl-State Senate 8th S.D.	x Support Oppose	-0-	200.00
James R. Mills-State Senate 40th S.D.	x Support Oppose	-0-	500.00
Charles E. Bott-Stockton City Council	x Support Oppose	-0-	100.00
Alan Robbins-State Senate 20th S.D.	x Support Oppose	-0-	200.00
Diane Feinstein-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	400.00
Quentin Kopp-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	50.00
Alister McAlister-State Assembly 25th A.D.	x Support Oppose	-0-	300.00
William M. Thomas-State Assembly 33rd A.D.	x Support Oppose	-0-	200.00
John A. Nejedly-State Senate 7th S.D.	x Support Oppose	-0-	100.00
Ella Hill Hutch-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	250.00

C 8

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Gary Borvice-Supervisor, Board of Supervisors San Francisco	x Support Oppose	$ -0-	$ 250.00
Lee Dolson-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	350.00
John F. Foran-State Senate 6th S.D.	x Support Oppose	-0-	150.00
S. Floyd Mori-State Assembly 15th A.D.	x Support Oppose	200.00	300.00
Victor Calvo-State Assembly 21st A.D.	x Support Oppose	-0-	200.00
Henry J. Mello-State Assembly 28th A.D.	x Support Oppose	-0-	200.00
United Republican Finance Committee of San Francisco-Various Republican State Campaigns	x Support Oppose	-0-	1,000.00
Lonnie Washington-Member, Richmond City Council	x Support Oppose	-0-	100.00
Robert Wherritt-Member, Salinas City Council	x Support Oppose	-0-	100.00
Ted C. Wills-Mayor, City of Fresno	x Support Oppose	-0-	100.00
Wilson Riles-State Supt. of Public Instruction	x Support Oppose	-0-	200.00
Ron Bates-Daly City City Council	x Support Oppose	-0-	50.00
Tom Kitayama-Mayor, City of Union City	x Support Oppose	-0-	100.00
Ron Pelosi-Supervisor, Board of Supervisors, San Francisco	x Support Oppose	-0-	300.00
Margaret Kozkowski-Mayor, City of San Bruno	x Support Oppose	-0-	50.00
Tony Governale-San Bruno City Council	x Support Oppose	-0-	50.00
Tom Ricci-San Bruno City Council	x Support Oppose	-0-	50.00
Art Lapore-Millbrae City Council	x Support Oppose	-0-	50.00

RECEIVED
'80 JUN 16 AM 11:47

Name: The Good Government Fund
I. D. #744249
Statement Covers Period From: January 1, 1977 through June 30, 1977

Walter J. Farrell ✓ DMO
Donald R. Field E
Gordon E. Fiske S
Louise Fletcher M
Robert H. Fohlen M
Ronald E. Grasser E
William Hamil
William B. Hancock DMO
Robert H. Hatch S
James J. Hillyer
Samuel G. Holmes
Richard H. Jones G + DMO
John J. Kamariotis E
James Kinder P
Manfred Kranse
Edward V. Lathrop M + DMO
Walter J. Leslie
J. K. Lieber S
Konstantin K. Lobodovsky M
Rex B. Luce
Charles Makar C S
Thomas H. Mason

Gary K. McCurdy
Robert W. McDermott
L. T. McKelvey G S + DMO
W. J. McLean
R. C. Metcalf C S
F. R. Milam E
Andrew C. Millpointer S
John R. Monaco S
Fremont D. Nash S
Norman Ossman
Billy R. Overstreet E
Robert M. Pederson
Donald W. Peerson M
George M. Poulo G S
J. A. Pridmore S
Daniel J. Quinlan, Jr. M
Clyde J. Richards E
Kenneth E. Robin C S + DMO
Melvin J. Rodrigues G S
M. H. Samii S
John C. Sander E
Phillip H. Sigmund E

Neal A. Solloway E
Adrian L. Sommerville S
R. E. Thompson E
Wallace G. Tring
R. N. Tucker M
Gerald Tyson M
D. F. Veihmeyer G
A. F. Vial DISTMGR + DMO
Avtar S. Virdee
David G. Waterworth ✓
Kenneth H. Whalen E + DMO
Henry R. Wind E
T. W. Wriston E
John H. Anderson
Lawrence H. Barre
H. E. Belmont
Clayton E. Bowser
James R. Bozarth
Stephen W. Cook
Charles S. Earnshaw
Arne L. Hawkins
Royal W. Hazelton

C.J.

RECEIVED

625 Post Street, No. 609
San Francisco, Calif. 94109
August 12, 1979 80 JUN 16 AM 11:47

Mr. Richard Miller, Deputy DA
880 Bryant Street, Room 322.
San Francisco, Calif. 94105

Re: P G & E Good Government Fund

Dear Sir:

Immediately after my visit to you July 18th, I found it necessary to return east, and have not checked with the phone service to see if you had called. Having had no written communication either, I assume you may have "struck out" in getting four more people to quickly verify my story.

To assist you in realizing the ramifications of what I told you I am pleased to enclose copies of an article that appeared in the magazine "Chic" for September 1979, pages 16, etc, entitled "Sucking at the Big Business Tit" (you'll pardon the expression, I am sure)

The article completely verifies what I told you about the ability of a supervisor to see that management employees give the "right" amount, and also that big business is subverting the law in the way they give contributions.

Attached also is a copy of Supervisor Terry A. Francois letter to me of May 6, 1975 thanking me for my contribution. I will repeat, I wouldn't give money to him to run for dog catcher, but was ordered to do so in a public "Division Council" meeting, by Mr. John H Black, deceased. Most of the $100.00 contributors on the list I gave you were also given that order, and did so.

If you are not going to pursue this, please write and let me know the name of some other northern California District Attorney who you think might have the time and interest. It is a major "rip off" by dishonest corporate people to make sure the law is in their favor. A good example that irritates me is that I cannot loan you money at more than 10%, but a bank can charge us both 18%. What is fair about that one.?????

Sincerely

William B Hancock

William B. Hancock

cc: cc: Mr David Pitman,
Secretary of State' office
Political Reform Division
1230 J Street, Sacto, 95814,

Mr. Scott Thorpe, Attorney General's Office,
555 Capitol Ave. Sacramento, 95814

Mr. Bob Blazier, Attorney
FPPC 1100 K Street, Sacto 95814

C.J.

PACIFIC GAS AND ELECTRIC COMPANY

PG&E 77 BEALE STREET, 31ST FLOOR • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211

MALCOLM H. FURBUSH
VICE PRESIDENT AND GENERAL COUNSEL

ROBERT OHLBACH
ASSOCIATE GENERAL COUNSEL

CHARLES T. VAN DEUSEN
PHILIP A. CRANE, JR.
HENRY J. LaPLANTE
JOHN B. GIBSON
ARTHUR L. HILLMAN, JR.
CHARLES W. THISSELL
DANIEL E. GIBSON
ASSISTANT GENERAL COUNSEL

SENIOR COUNSEL

ATTORNEYS

July 9, 1979

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20463

Attention Kevin Smith, Esq.

Re: MUR 1248

Dear Mr. Steele:

Pursuant to your letter of June 18, 1980, and Code of Federal Regulations section 111.6, respondents Pacific Gas and Electric Company ("PGandE") and the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") submit this response to Mr. Hancock's complaint of June 10, 1980.1/ Three additional copies of this response are provided. Please conform and mark received one of the copies and return it to me in the enclosed envelope. The other two copies are provided for your convenience.

It is respondents' position that the the Commission should take no action in the matter, since Mr. Hancock has not stated a case against respondents and since the respondents have not violated the Federal Election Campaign Act of 1971 as amended or Chapter 95 and 96 of Title 26 of the United States Code.

INTRODUCTION

a. The Company

PGandE is an operating public utility engaged principally in the business of supplying electric and natural gas service throughout most of northern and central California, a

00040223663

territory with an estimated population of approximately 9,271,000. As of December 31, 1979, the Company served approximately 3,366,000 electric customers and 2,805,000 gas customers.

PGandE was incorporated in California in 1905. Its principal executive offices are located at 77 Beale Street, San Francisco, California 94106.2/ Over 26,000 persons are currently employed by PGandE and its subsidiaries, of which approximately 6,000 are exempted from the Fair Labor Standards Act.3/

b. The Fund

The Fund was formed in September of 1974 and was initially designed to support only local and state candidates.4/ In May of 1975, the Fund registered pursuant to federal law and has, since then, also supported federal candidates.5/ Between 1974 and 1979, the number of employees participating in the Fund ranged between a low of 804 in 1974 and a high of 1,051 in 1975. During the same five-year period, total annual receipts were between a low of $21,717 (in 1974) and a high of $28,754 (in 1976).6/ Since its inception, it has been governed by a three-member Managing Committee composed of Joseph Y. DeYoung, Ellis B. Langley, Jr., and F. A. Peter, all of whom are officers of PGandE. The Managing Committee is charged with the responsibilities of establishing and operating the Fund. It has established procedures and policy for solicitations, collections, reporting, and disbursing of funds.7/

COMPLAINANT'S ALLEGATIONS

In his complaint, Mr. Hancock states that "During the years 1974 through 1977, I was forced to contribute to the 'Good Government Fund' by the Division Manager, John H. Black, since deceased." He also states that he was ordered (presumably by Mr. Black) to contribute $100.00 per year and that a similar pattern can be found throughout the Company.8/

RESPONDENT'S REPLY

The gravamen of Mr. Hancock's complaint is that during a three-year period, involving the years 1974 through 1977, he was forced to contribute to the Good Government Fund by John H. Black, who, after a prolonged illness which disabled him for many months, died on October 12, 1977.9/ Mr. Black is not alleged to have been, nor in fact was he at anytime, a member of the Fund's Managing Committee.10/ There is no allegation that the alleged coercive practice continued past Mr. Black's death (although Mr. Hancock was employed by PGandE until mid-1979).

0 0 0 4 0 2 2 3 6 6 4

Additionally, while he has recently filed a number of complaints with governmental agencies (infra.), there is no allegation that Mr. Hancock complained to any PGandE officer, manager, or employee, or any member of the Managing Committee of the Fund, or any person connected with the Fund, about such alleged coercion.

The first indication of any complaint by Mr. Hancock of alleged coercive activity appears to be contained in his attempt to have the San Francisco District Attorney take action in July and August of 1979. (See Mr. Hancock's August 12, 1979, letter to Mr. Richard Miller, attached to this complaint, with copies to the Political Reform Division of the California Secretary of State; California Attorney General; and the California Fair Political Practices Commission). Thereafter, on March 3, 1980, Mr. Hancock filed a lengthy complaint with the California Public Utilities Commission itemizing numerous allegations against the Company, including allegations concerning the Good Government Fund (pages 19-20).11/ Subsequently, Mr. Hancock issued a written communication dated May 21, 1980, addressed to "Dear Ex Fellow Employee" itemizing various complaints against the Company, including his allegation that he was "forced by John Black to give $100 per year to the Good Government fund, plus $25.00 to Terry Francios, which I am told is a criminal offense."12/

The record clearly indicates that, since its inception, the stated policy of the Fund has been based wholly upon the voluntary participation by eligible employees. Participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment.13/ No member of the Managing Committee has ever secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals,14/ and, until they were informed of Mr. Hancock's recent complaints, none has ever been advised of any such practice by Mr. Black or anyone else during the nearly six years that the program has been operating.15/

Written documentation attesting to the voluntary nature of the program has been made available to eligible employees since the inception of the program and clearly advises that: "Participation in . . . the Good Government Fund . . . is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment."16/ It is, and has always been, the policy of the Fund to provide a copy of the most recent version of the written solicitation to eligible employees.17/ Mr. Black received a copy of this written solicitation statement even before the Fund was expanded to include federal candidates.18/ Mr. Farrell (mentioned by Mr. Hancock) provided a copy to the San Francisco Division Council.19/

While respondents cannot discuss Mr. Hancock's allegations with Mr. Black (deceased), the record clearly indicates that at no time did he or any of his successors violate the Company and Fund policy that participation in the Fund be based solely upon voluntary participation by eligible employees. Neither of Mr. Black's successors have ever secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, or reprisals;20/ and until they were advised of Mr. Hancock's recent complaint, neither had ever been advised of any coercion by Mr. Black or anyone else during the nearly six years that the program has been operating.21/ In addition, neither Mr. Farrell nor the Division secretary witnessed or heard of any coercion of employees by Mr. Black or by anyone else.22/

With three exceptions, it has been possible to contact and obtain a statement from every person who was a member of the San Francisco Division Council between the years 1974 and 1977.23/ All of these persons state that no physical force, job discrimination, financial reprisals, or threats of such practice were ever used to secure or attempt to secure contributions to the Fund. None was ever instructed to use such practices, nor did they instruct others to do so. With the possible exception of the recent allegations by Mr. Hancock, none has ever been told by any present or former employee that coercion was used.24/

While some of these individuals recall that suggested contribution guidelines were discussed,25/ all state that they were never instructed, nor did they instruct anyone else, to force or require any employee to contribute a specific sum to the Fund. On the contrary, it has always been their clear understanding that participation in the Fund was voluntary and would have no bearing on any employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.26/

CONCLUSION

The uncontroverted policy of the Fund and the overwhelming evidence demonstrates that PGandE and the Fund are committed to the policy and practice of operating a voluntary committee free from any activities or methods violative of the Federal Election Campaign Act.

There is, therefore, no cause for the Commission to take any action in this matter.

Sincerely yours,

ROBERT OHLBACH
JOSEPH I. KELLY
PATRICK G. GOLDEN

By Joseph I. Kelly
JOSEPH I. KELLY
Attorney for
Respondent Pacific Gas and
Electric Company and the Fund

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FOOTNOTES

1/ While Mr. Hancock states that his complaint is "...against Pacific Gas and Electric Company...," this response is submitted on behalf of the Company and the Fund.

2/ Attachment 1, 10-k statement, p. 2.

3/ Attachment 2, statement of Russ H. Cunningham.

4/ Attachment 3, California State Committee Statement of Organization; Attachment 4, Statement of Ellis B. Langley, Jr. p. 1, lines 11-12.

5/ Attachment 4, Langley, p. 1, lines 12-13; Attachment 5, federal registration forms.

6/ Attachment 6, statement of Michael T. Moe, lines 8-9.

7/ See written solicitations attached to Attachment 4.

8/ PGandE is divided into thirteen divisions (see Attachment 7). Each division is under the immediate control of a division manager.

9/ Attachment 8, certified copy of death certificate of John H. Black.

10/ Attachment 4, p. 1, lines 15-16.

11/ CPUC pleadings in Case No. 10838, Attachment 30.

12/ Communication dated May 21, 1980, Attachment 29.

13/ Attachment 4, p. 1, lines 17-25; Attachment 9, statement of Joseph Y. DeYoung, p. 1, lines 10-14; Attachment 10, statement of F. A. Peter, p. 1, lines 10-15.

14/ Attachment 4, p. 2, lines 6-11; Attachment 9, p. 1, lines 21-25; Attachment 10, p. 1, lines 20-24.

15/ Attachment 4, p. 2, lines 12-21; Attachment 9, p. 2, lines 3-12; Attachment 10, p. 2, lines 1-10.

16/ See page 2 of solicitation statements attached to Ellis B. Langley's statement (Attachment 4).

17/ Attachment 4, p. 1, line 25 to p. 2, line 1.

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Frank J. Regan, being duly sworn, deposes and says:

1. Since 1968, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently assigned to the Energy Conservation and Services Department of the General Office.

2. From August 1976 to August 1977, I served as a Special Representative to J. H. Black, Manager of the San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I began contributing in mid-1979.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present of former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

18/ Attachment 14, p. 2, lines 2-5.

19/ Attachment 13, p. 1, line 23, p. 2, line 5.

20/ Attachment 11, statement of Howard M. McKinley, lines 10-16; Attachment 12, statement of J. Art Fairchild, p. 1, lines 9-17.

21/ Attachment 11, p. 1, lines 14-16; Attachment 12, p. 1, lines 14-17.

22/ Attachment 13, p. 1, lines 19-22; Attachment 14, p. 1, line 22 to p. 2, line 1.

23/ The persons who were members of the San Francisco Division Council at one time or another between 1974 and 1977 were: M. A. Balke; R. G. Bouret; W. J. Farrell; W. B. Hancock; J. Kinder; L. T. McKelvey; C. A. Miller; R. H. Jones; E. V. Lathrop; K. V. Hayes; F. J. Regan; A. F. Vial; K. E. Robin; R. C. Metcalf; K. H. Whalen; J. H. Black; W. A. McCandless. Attachment 15, July 8 statement of Bonnie Duffy, lines 11-17. Of these persons, John H. Black is deceased (supra footnote 9). C. A. Miller was vacationing in Europe and could not be reached. However, he did not contribute to the Fund at all in the years 1974 through 1977. (See Attachment 6, statement of Michael T. Moe, lines 19-22.) The third gentleman not contacted who was a member of the Council is the complainant, William Hancock.

24/ Attachment 16, Statement of M. A. Balke, p. 1, lines 14-20.
Attachment 17, Statement of R. G. Bouret, p. 1, lines 15-21.
Attachment 13, Statement of W. J. Farrell, p. 1, lines 13-22.
Attachment 18, Statement of J. Kinder, p. 1, lines 13-23.
Attachment 19, Statement of L. T. McKelvey, p. 1, lines 14-24.
Attachment 20, Statement of R. H. Jones, p. 1, lines 13-24.
Attachment 21, Statement of E. V. Lathrop, p. 1, lines 12-23.
Attachment 22, Statement of K. V. Hayes, p. 1, lines 15-26.
Attachment 23, Statement of F. J. Regan, p. 1, lines 15-26.
Attachment 24, Statement of A. F. Vial, p. 1, lines 14-24.
Attachment 25, Statement of K. E. Robin, p. 1, lines 14-25.
Attachment 26, Statement of R. C. Metcalf, p. 1, lines 16-23.
Attachment 27, Statement of K. H. Whalen, p. 1, lines 14-20.
Attachment 28, Statement of W. A. McCandless, p. 1, lines 12-21.

25/ Attachment 16, p. 1, line 25 through p. 2, line 3. Attachment 18, p. 2, lines 8-11. Attachment 26, p. 2, lines 2-6. Attachment 27, p. 1, line 25 through p. 2, line 2. Attachment 28, p. 1, line 25 through p. 2, line 3.

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26/ Attachment 16, p. 1, line 21 through p. 2, line 7. Attachment 17, p. 1, line 21 through p. 2, line 3. Attachment 13, p. 1, line 19 through p. 2, line 26. Attachment 18, p. 2, lines 4-17. Attachment 19, p. 1, line 17 through p. 2, line 8. Attachment 20, p. 1, line 16 through p. 2, line 2. Attachment 21, p. 1, line 15 through p. 2, line 2. Attachment 22, p. 1, line 18 through p. 2, line 4. Attachment 23, p. 1, line 18 through p. 2, line 4. Attachment 24, p. 1, line 17 through p. 2, line 2. Attachment 25, p. 1, line 17 through p. 2, line 3. Attachment 26, p. 1, line 19 through p. 2, line 10. Attachment 27, p. 1, line 17 through page 2, line 18. Attachment 28, p. 1, line 14 through page 2, line 7.

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Ellis B. Langley, Jr., being duly sworn, deposes and says:

1. Since October of 1945, I have been employed by Pacific Gas and Electric Company. I currently serve as Senior Vice President-Operations. I also serve as chairman of the Managing Committee of the Pacific Gas and Electric Company Employees' Good Government Fund. ("Fund").

2. The Fund was formed in September 1974 and was initially designed to support only state and local candidates. In 1975, the Fund expanded its scope and began to support candidates for federal office. I have been one of the three members of the Fund Managing Committee since the initiation of the Fund. John H. Black was never a member of the Managing Committee.

3. The policy concerning the Fund has always been based upon wholly voluntary participation. As evidenced in written solicitations, participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities or any other aspect of employment. (See, for example, solicitation statement dated March 21, 1975; August 1, 1976, solicitation statement attached to April 12, 1978 letter from the Fund; November 1, 1979 solicitation statement attached to the November 15, 1979 letter from the Fund - Exhibits A, B, and C, respectively.) It is and has been the Company's and the Fund's policy to provide a copy of the most

recent version of the written solicitation to eligible employees.

4. In 1975, the members of the Managing Committee took part in informational meetings in which the Fund was explained to departments. The department people and division managers I met with were told to instruct eligible employees that the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has been made clear that such tactics have no place in discussions of the Fund.

5. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present or former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had previously been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

Ellis B. Langley Jr.

ELLIS B. LANGLEY, JR.

Subscribed and sworn to before me on July 3rd, 1980, in San Francisco, California.

Irene A. Gagne

OFFICIAL SEAL
IRENE A. GAGNE
NOTARY PUBLIC - CALIFORNIA
SANTA CLARA COUNTY
My comm. expires DEC 5, 1980

EXHIBIT A

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TWT

FROM THE DESK OF
JOE KELLY

March 21, 1975

DIVISION MANAGERS:

Attached please find a copy of the new "Good Government Fund" summary together with an application form for payroll deduction. This package should be reproduced as needed and made available to any employee inquiring about the program.

JKelly

cc: E. B. Langley, Jr.

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THE GOOD GOVERNMENT FUND

The GOOD GOVERNMENT FUND was formed in September 1974 as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California state income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Comptroller (who serves as Chairman and Treasurer), Vice President-Division Operations, and Vice President-Commercial Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and (commencing in 1975) federal office; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and their committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns at the discretion of the Managing Committee.

(2) Employees who prefer to designate the candidate to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign on behalf of the employees.

Employees who wish to make their donations directly to campaigns without using the FUND can join PGandE's INVEST IN DEMOCRACY program. Participants in IID receive free special checking accounts into which they can deposit personal funds or, if they prefer, have a small amount deposited automatically each month through payroll deduction. They can then use their special INVEST IN DEMOCRACY checks to make contributions from the funds they have accumulated to any political campaign or committee. If the employee wishes, IID checks can also be used to make contributions to the GOOD GOVERNMENT FUND or to individual candidates' campaigns and given to the FUND for it to transmit as intermediary.

For further information on INVEST IN DEMOCRACY, employees should contact the Governmental and Public Affairs Department, Ext. 2754.

Participation in either the GOOD GOVERNMENT FUND or INVEST IN DEMOCRACY, or both, is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. However, for convenience in handling, if you are writing a check (rather than using payroll deduction) or asking the FUND to serve as intermediary for a check to a specific candidate's campaign, the minimum amount should be $10.00. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

The FUND has no legal obligation to disclose in its public filings any information when it serves as an intermediary for an employee who writes a check made payable directly to a candidate's campaign. However, in the spirit of disclosure, the FUND has adopted the policy of listing each candidate's campaign to which it transmitted contributions as an intermediary, together with the total amount contributed to the campaign. The FUND does not list the names of the individual contributors for whom it served as intermediary, but the recipient candidate's campaign probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100% of the contributions it receives from employees to support the campaigns of announced candidates, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1975 federal taxes (payable in 1976), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1975 California state income taxes (payable in 1976) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return), but there is no tax credit permitted.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through either their personal checking accounts or the INVEST IN DEMOCRACY program. Such contributions to ballot measure campaigns, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a particular political party, and in certain cases non-partisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1974, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be

supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

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PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new ___ revised____ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division _____

EXHIBIT B

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PACIFIC GAS AND ELECTRIC COMPANY

PG&E + 77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

April 12, 1978

Dear Fellow Employee:

1978 will be a critical year for all Californians.

This year, not only will we elect our Governor and the other statewide Constitutional officers, but also all eighty State Assemblymen, half of the State Senators, and the entire California delegation to the U. S. House of Representatives. The men and women elected this year will help to shape the course of state and national policy for many years to come, and it is vital that we, as citizens and as PGandE employees, personally support the best qualified candidates.

Often, however, a candidate worthy of support may be seeking office some place other than where we live, possibly outside of the Company's service territory. Similarly, a candidate may deserve or need more support than any one employee might be able to give.

For these reasons, several years ago PGandE formed the Good Government Fund, a voluntary employee political action committee through which participating employees can identify and support candidates for federal, state, and local office on a coordinated basis, pooling their donations through one committee. Through the Fund, candidates who have a balanced and effective approach to issues affecting the private enterprise system can be supported with contributions representing the combined donations of employees.

As an eligible "exempt" (monthly) employee, you are qualified to participate in the Good Government Fund. If you do not currently support the program, you may wish to do so in this important election year. If you are already a member, you may wish to increase your participation so that the Fund is able to support as many worthy candidates as possible.

Enclosed is a prospectus on the Fund containing full information about how you can participate and including a payroll deduction application. A copy of the Fund's 1977 "Transaction Report" in which all contributions to candidates are itemized is available in each Division Manager's office or from the office of F. A. Peter (Room 893, 77 Beale Street, San Francisco, Ext. 2476). Participation is, of course, entirely voluntary.

J. Y. DeYoung Chairman Good Government Fund	E. B. Langley, Jr. Assistant Treasurer Good Government Fund	F. A. Peter Treasurer Good Government Fund

Enclosures

THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September, 1974, as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates and official committees of political parties on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Customer Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and federal office and official committees of political parties; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates and committees should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns and official committees of political parties at the discretion of the Managing Committee.

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* A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D. C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P. O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106. All contributions to the Good Government Fund are subject to the limitations specified under Federal law.

(2) Employees who wish to designate the candidate or committee to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give the FUND their checks made payable to the candidate's campaign or committee they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign or committee on behalf of the employees.

Participation in the GOOD GOVERNMENT FUND is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

WHO MAY PARTICIPATE IN THE GOOD GOVERNMENT FUND?

Any employee who is a PGandE shareholder, or whose spouse is a PGandE shareholder, may participate in the FUND (members of the Company's Savings Fund Plan are Company shareholders). Under federal law, however, an employee who is not a shareholder and whose spouse is not a shareholder may not participate in the FUND if he or she is (a) a "non-exempt" employee (that is, subject to the Fair Labor Standards Act), (b) an "exempt" employee who is a member of labor organization, or (c) a foreman who directly supervises "non-exempt" employees. Employees other than these may participate in the Fund whether or not they are shareholders.

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1977, a total of 809 employees participated in the FUND; 771 contributed directly to it, and 78 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates and committees. Of the 771 who gave directly to the FUND, the average annual donation was approximately $25.00.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates and committees. As a general rule, if you contribute to the FUND

an aggregate total of $50 or more in an eighteen month period, it may be necessary for the FUND to itemize the following information in these filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

Under Federal law, if you utilize the FUND as an intermediary for contributions made payable directly to individual candidates or committees, it will be necessary for the FUND to itemize your name, street address, and the identity of the candidate or committee to whom you contributed, regardless of the amount of the contribution. If the contribution is over $100, it will also be necessary to itemize your occupation and employer (PGandE, PGT, StanPac, or PSEA). This information will also be disclosed in the recipient campaign committee's disclosure statement.

Under California state law, the FUND has no obligation to disclose in its public filings any information when it serves as an intermediary. However, in the spirit of disclosure, the FUND has adopted the policy of listing each state and local candidate or committee to which it transmitted contributions as an intermediary, together with the total amount transmitted. In these state filings, the FUND does not list the names of the individual contributors for whom it served as intermediary but the recipient candidate or committee probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates and official committees of political parties, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1978 federal taxes (payable in 1979), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1978 California state income taxes (payable in 1979), you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return, provided that each party to the joint return contributes at least $100), but there is no tax credit.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through their personal checking accounts. Contributions to official ballot measure campaign committees, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a candidate's political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1977, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates and committees to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department
Room 640
77 Beale Street

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new _____ revised _____ authorization (check one).

I have received and read a copy of the "Good Government Fund" descriptive material dated March 1, 1978.

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

Job Classification _____

I am_____ am not_____ a PGandE shareholder (members of the Savings Fund Plan are PGandE shareholders).

I am_____ am not_____ a United States citizen or admitted for permanent residency in the United States.

3-1-78

EXHIBIT C

5004022368B

PACIFIC GAS AND ELECTRIC COMPANY

PG&E 77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

November 15, 1979

Dear Fellow Employee:

1980 will be a critical year for all Americans. Across the state and nation, we will be electing men and women who will help shape the course of local, state, and national policy for many years to come. It is vital that we, as citizens and as PGandE employees, personally support the best qualified candidates.

Often, however, a candidate worthy of support in a close race with a real chance to win may be seeking office some place other than where we live, possibly even outside of the Company's service territory. Many times that extra contribution can make the difference.

For these reasons, several years ago PGandE formed the Good Government Fund, a voluntary employee political action committee through which participating employees can support local, state, and federal candidates who have demonstrated a balanced and effective approach to government energy policy and other issues affecting the private enterprise system.

As an eligible "exempt" (monthly) employee, you are qualified to participate in the Good Government Fund. If you do not currently support the program, you may now wish to do so as we approach this important election year. If you are already a member, you may wish to increase your participation so that the Fund is able to support as many worthy candidates as possible.

Enclosed are a prospectus on the Fund outlining how you can participate, a payroll deduction application, and a form for your use in recommending candidates worthy of the Fund's support. A copy of the Fund's current "transaction report" itemizing all contributions to candidates is available for your inspection in each Division Manager's office or from the office of F. A. Peter (Room 893, 77 Beale Street, San Francisco, Extension 2476).

Your serious consideration of this important program is appreciated.

Sincerely,

E. B. Langley Jr.
E. B. LANGLEY, JR.
Chairman
Good Government Fund

J. Y. DE YOUNG
Assistant Treasurer
Good Government Fund

F. A. Peter
F. A. PETER
Treasurer
Good Government Fund

Enclosures

THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September, 1974, as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates and official committees of political parties on a coordinated basis, pooling their donations through one committee. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Senior Vice President - Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President - Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and federal office and official committees of political parties; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates and committees should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the

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*A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P.O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106. All contributions to the Good Government Fund are subject to the limitations specified under Federal law.

11-1-79

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attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates and official committees of political parties at the discretion of the Managing Committee.

(2) Employees who wish to designate the candidate or committee to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give the FUND their checks made payable to the candidate's campaign or committee they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign or committee on behalf of the employee.

Participation in the GOOD GOVERNMENT FUND is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

WHO MAY PARTICIPATE IN THE GOOD GOVERNMENT FUND?

Any employee who is a PGandE shareholder, or whose spouse is a PGandE shareholder, may participate in the FUND (members of the Company's Saving Fund Plan are Company shareholders). Under federal law, however, an employee who is not a shareholder and whose spouse is not a shareholder may not participate in the FUND if he or she is (a) a "non-exempt" employee (that is, subject to the Fair Labor Standards Act), (b) an "exempt" employee who is a member of a labor organization, or (c) a foreman or other lower level supervisor who directly supervises "non-exempt" employees. Employees other than these may participate in the Fund whether or not they are shareholders.

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1978, a total of 911 employees participated in the FUND; 858 contributed directly to it, and 58 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates and committees. Of the 858 who gave directly to the FUND, the average annual donation was approximately $28.00.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates and committees. As a general rule, if you contribute to the FUND an aggregate total of $100 or more in an eighteen month period, it may be necessary for the FUND to itemize the following information in its filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $100, the FUND will list your name along with those of all other employees who have contributed less than $100, but will not provide any further information of the kind required for contributors of $100 or more.

Under Federal law, if you utilize the FUND as an intermediary for contributions made payable directly to individual candidates or committees, it will be necessary for the FUND to itemize your name, street address, and the identity of the candidate or committee to whom you contributed, regardless of the amount of the contribution. If the contribution is over $100, it will also be necessary to itemize your occupation and employer (PGandE, PGT, StanPac, or PSEA). This information will also be disclosed in the recipient campaign committee's disclosure statement.

Under California state law, the FUND has no obligation to disclose in its public filings any information when it serves as an intermediary. However, in the spirit of disclosure, the FUND has adopted the policy of listing each state and local candidate or committee to which it transmitted contributions as an intermediary, together with the total amount transmitted. In these state filings, the FUND does not list the names of the individual contributors for whom it served as intermediary but the recipient candidate or committee probably will disclose such information.

11-1-79

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In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE OR ELIGIBLE FOR TAX CREDIT?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates and official committees of political parties, contributions to the FUND are eligible for Federal income tax credit.

Under present law, for your 1979 federal taxes (payable in 1980), you will be allowed to take a tax credit for half of your contributions up to a maximum credit of $50 (representing contributions up to $100), or a maximum credit of $100 on a joint return (representing contributions up to $200).

On California state income taxes you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return, provided that each party to the joint return contributes at least $100), but there is no tax credit.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax credit, it must not donate to ballot measure campaigns. While the fund does not make such contributions, employees who wish to donate to ballot measures are encouraged to do so. Contributions to official ballot measure campaign committees, while not eligible for Federal income tax credit, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

11-1-79

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose views indicate they have a balanced and effective approach to government energy policy and other issues affecting the private enterprise system. No preference is given to a candidate's political party, and nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1978, the average FUND donation to candidates was less than $200).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are encouraged. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476) for a suggestion form. Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates and committees to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

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11-1-79

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department
Room 640
77 Beale Street

Pursuant to the provisions of the "Good Government Fund" Voluntary political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new _____ revised _____ authorization (check one).

I have received and read a copy of the "Good Government Fund" descriptive material dated November 1, 1979.

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

Job Classification _____

I am _____ am not _____ a PGandE shareholder (members of the Savings Fund Plan are PGandE shareholders).

I am _____ am not _____ a United States citizen or admitted for permanent residency in the United States.

11-1-79

CANDIDATE CONTRIBUTION RECOMMENDATION

TO: F. A. PETER, Treasurer
GOOD GOVERNMENT FUND (Rm. 891, 77 Beale St., San Francisco)

I suggest that the Good Government Fund consider making a contribution of $_____ to:

Candidate:_____

Candidate's Party Affiliation_____

Office Sought_____

_____

Date of Election_____

Is this for a special event? If so, date_____

Committee Name (Check made payable to):

_____

_____

Committee Address:_____

_____

_____

_____

Committee Identification Number:_____

Name and Address of Committee Treasurer
(if I.D. number unavailable):

_____

_____

_____

* * * * * * * * * * * * * * * *

Check and letter to be forwarded to:

_____

_____

_____

Date of Request_____
Name:_____
Division/Dept._____
Telephone Number_____

11/1/79

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Joseph Y. De Young, being duly sworn, deposes and says:

1. Since April of 1941, I have been employed by Pacific Gas and Electric Company. I am currently Vice President-Division Operations. I also serve as one of the three members of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

2. The policy concerning membership in the Fund has always been based upon wholly voluntary participation. As evidenced in written solicitations, participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment. It is and has been the Company's and the Fund's policy to provide a copy of the most recent version of the written solicitation to eligible employees.

3. In late 1974 and early 1975, the members of the Management Committee took part in informational meetings at which the Fund was explained to variouis departments. The department personnel I visited were told to instruct eligible employees that participation in the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination, or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has

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been made clear that such tactics have no place in discussions of the Fund.

4. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present or former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had previously been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

Joseph Y. De Young

JOSEPH Y. DE YOUNG

Subscribed and sworn to before me on
July 2, 1980, in San Francisco, California.

Theodora Cooke

Theodora Cooke, Notary Public in and
for the City and County of San Francisco,
State of California

My Commission expires January 28, 1981

0004022693

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

F. A. Peter, being duly sworn, deposes and says:

1. Since 1965, I have been employed by Pacific Gas and Electric Company. I currently serve as Vice President and Comptroller. I also serve as one of the three members of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

2. The policy concerning the Fund has always been based upon wholly voluntary participation. Participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment. It is and has been the Company's and the Fund's policy to provide a copy of the most recent version of the written summary to eligible employees.

3. In late 1974 and early 1975, the members of the Managing Committee took part in informational meetings in which the Fund was explained to departments. The department people I visited were told to instruct eligible employees that the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has been made clear that such tactics have no place in discussion of the Fund.

4. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present of former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

F. A. PETER

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Howard M. McKinley, being duly sworn, deposes and says:

1. Since 1947, I have been employed by Pacific Gas and Electric Company. I currently serve as Vice President-Gas Operations. From December 1977 to March 1978, I served as Division Manager of the San Francisco Division, succeeding John H. Black.

2. I have never secured or attempted to secure contributions to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") by means of physical force, job discrimination, or reprisals or by any other threats or coercive tactics. I have never instructed or been instructed to use such tactics and have never been told that such coercion was used by anyone in the Company, including John H. Black.

3. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Howard M. McKinley

HOWARD M. MC KINLEY

Subscribed and sworn to before me on
July 31st, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

J. A. Fairchild, being duly sworn, deposes and says:

1. Since 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Manager of the San Francisco Division, having been appointed to my present position on July 1, 1978. I succeeded Howard M. McKinley, currently, Vice President-Gas Operation.

2. During my time as Division Manager, I have never secured or attempted to secure contributions to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals or by any other threats or coercive tactics. I have never instructed or been instructed to use such tactics and have never been told that such coercion was used by anyone in the Company, including John H. Black.

3. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

J. A. Fairchild

J. A. FAIRCHILD

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Maria Elena Ruiz Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Walter J. Farrell, being duly sworn, deposes and says:

1. Since July 1963, I have been employed by Pacific Gas and Electric Company ("PGandE"). From July 1974 to March 1978, I served in the San Francisco Division office, and reported to John H. Black, the Division Manager. I am not, nor have I ever been, a member of the Pacific Gas and Electric Company Employees' Good Government Fund's ("Fund") Managing Committee.

2. Part of my San Francisco Division duties included familiarizing eligible San Francisco Division personnel with the Fund. In so doing, I did not secure or attempt to secure any contributions to the Fund from any employee, including Mr. Hancock, by physical force, job discrimination, financial reprisals, or threats of such force, discrimination, or reprisals, or by any other threats or coercive tactics. I was never instructed to use such measures by John H. Black or any officer, manager, or employee of PGandE, nor did I ever personally hear or was ever told that Mr. Black or any person used such measures.

3. On the contrary, on several occasions I specifically informed division personnel that participation in the Fund was voluntary. For example, in August of 1975, I sent a written solicitation to the San Francisco Division Council (which

included Mr. Hancock) which stated that "Participation in . . . the Good Government Fund . . . is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities and any other aspect of employment." (Solicitation, p. 2.)

4. The written solicitation was attached to a memorandum written by me in which I stated that "Employee participation is entirely voluntary." In writing this memorandum (a copy of which is attached hereto as Exhibit A), it was not my intent to threaten employees with financial reprisal or job discrimination, but instead to inform the recipient of the importance of participating in the political process. The memorandum was drafted by me. It was not suggested or approved by the Managing Committee of the Fund.

5. No employee has ever complained to me that he or she contributed to the Fund due to physical force, job discrimination, financial reprisal or threats of such force, discrimination, or reprisal. At one point in 1974 or 1975, Mr. Hancock, to the best of my recollection, mentioned his salary rate to me in an informal conversation and gave me the impression that he may have felt that his contribution to the Fund was high in relation to his salary. I responded in words to the effect that the amount of the contribution "was up to him." He made no statements indicating he felt that he had been coerced by Mr. Black and I did not state, either to him or anyone else, that any particular amount was required.

6. Since March, 1978, I have been assigned to a department within the General Office. I am no longer involved in Fund activities.

Walter J. Farrell

WALTER J. FARRELL

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Bonnie K. Duffy, being duly sworn, deposes and says:

1. Since February of 1965, I have been employed by Pacific Gas and Electric Company.

2. From March 1971 to October 12, 1977, I served as division secretary to John H. Black, San Francisco Division Manager.

3. Prior to his death on October 12, 1977, Mr. Black was incapacitated for several months. His last working day in the office was June 3, 1977. From then until his death, he was either in the hospital or at his residence.

4. Between June 3, and October 12, 1977, I saw Mr. Black on several occasions in the hospital and at his residence to discuss business and deliver company mail. I do not recall any discussion of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") during this time and a review of division files does not indicate that Mr. Black took any action with respect to the Fund.

5. In the over six years I reported to Mr. Black, I never saw or heard him or any other person use or threaten to use physical force, job discrimination or financial reprisals to secure contributions to the Fund. No one has ever complained to me that a contribution to the Fund had been secured by such

methods.

6. Review of the file indicates that Mr. Black received the attached summary of the Fund. The initials "JHB" are Mr. Black's. My stamp indicates he received the summary on March 25, 1975.

BONNIE K. DUFFY

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 18, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Bonnie K. Duffy, being duly sworn, deposes and says:

1. Since February of 1965, I have been employed by Pacific Gas and Electric Company.

2. From March 1971 to October 12, 1977, I served as Division Secretary to John H. Black, San Francisco Division Manager. I presently serve in the same capacity to J. A. Fairchild.

3. Review of pertinent files indicates that the following persons were members of the San Francisco Division Council at one time or another between 1974 and 1977: M. A. Balke; R. G. Bouret; W. J. Farrell; W. B. Hancock; J. Kinder; L. T. McKelvey; C. A. Miller; R. H. Jones; E. V. Lathrop; K. V. Hayes; F. J. Regan; A. F. Vial; K. E. Robin; R. C. Metcalf; K. H. Whalen; J. H. Black; and W. A. Mc Candless.

Bonnie K. Duffy

BONNIE K. DUFFY

Subscribed and sworn to before me on
July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Max A. Balke, being duly sworn, deposes and says:

1. Since November 1950, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Coast Valleys Division Steam Superintendent.

2. From 1973 to July 1, 1980, I was Division Steam Superintendent, San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I do not contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), but have in the past.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. I do recall that suggested contribution guidelines were discussed between peers

and that there may have been a suggestion by my peers to contribute approximately $100.00 per year; but at no time was I told by anyone that this amount was required to be contributed.

6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

7. I also recall receiving the attached letter from W. J. Farrell dated August 6, 1975, together with the fact sheet. I did not then or now feel forced or coerced to contribute by nature of that letter or attachment.

Max A. Balke

MAX A. BALKE

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY OF SAN FRANCISCO)

Ray G. Bouret, being duly sworn, deposes and says:

1. From November 1952 to 1980, I was employed by Pacific Gas and Electric Company ("PGandE"). I recently retired from the Company.

2. From 1968 to 1970, I was Executive Representative to the San Francisco Division Manager. From 1970 to 1980, I served as Administrative Assistant to the San Francisco Division Manager. In both of these capacities, I sat as a member of the San Francisco Division Council.

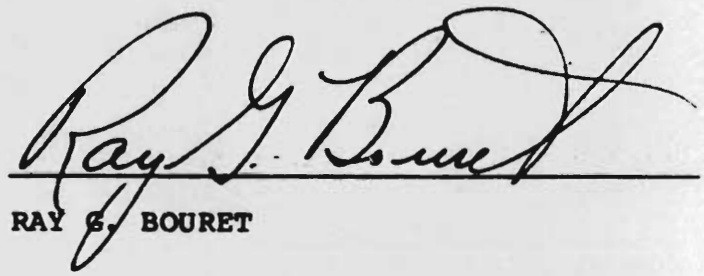
3. I did contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

4. No PGandE officer, manager, or employee ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I never instructed or was instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I was never instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor did I personally do so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear

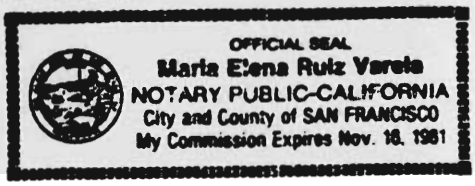
understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

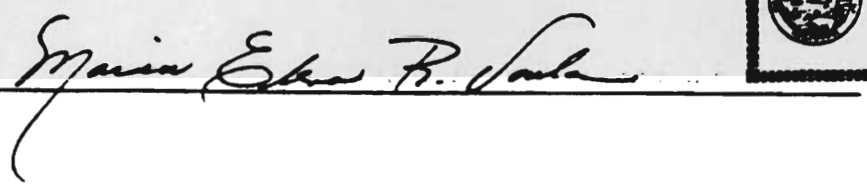
6. I recall receiving the attached August 6, 1975, memorandum from Walter J. Farrell. I did not feel threatened or coerced by the memorandum.



RAY G. BOURET

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.





AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

James Kinder, being duly sworn, deposes and says:

1. Since November, 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Personnel Manager for the San Francisco Division.

2. From 1972 to the present, I have been a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), but have done so in the past.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have personally never done so. I have never been told by any present or former employee that such coercion was used by anyone in the Company. However, within the last six months, I have seen material apparently written by William B. Hancock which includes references to the Fund and contributions to it, but I don't presently recall the details. I believe that the contributions made by the Managing Committee of the Fund which is affiliated with a regulated utility will, in most cases, have a beneficial effect on the election of responsible candidates. I also believe that participation in the

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Fund will advance the interests of an employee through the election of responsible candidates who support the free enterprise system and, particularly, private ownership of utilities.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. I recall that J. H. Black suggested contribution guidelines, but specifically emphasized the voluntary nature of contributions to the Fund and directed that subordinates be instructed that the Fund was voluntary

6. It has always been my understanding that the policy of the Company and the Fund is that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment. I have never made a personnel recommendation based on participation or lack of participation in the Fund.

James Kinder

JAMES KINDER

Subscribed and sworn to before me on July 9th, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Leo T. McKelvey, being duly sworn, deposes and says:

1. Since February 25, 1952, I have been employed by Pacific Gas and Electric Company ("PGandE").

2. Since 1965, I have been the San Francisco Division Manager of General Services, and, in that capacity, sit as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). At one time or another, during the years 1974 through 1977, I did contribute to the Fund.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. When I was first introduced to the Fund, I was advised that participation in it was entirely voluntary. Later,

I recall receiving the attached letter from W. J. Farrell, dated August 6, 1975, together with fact sheet. I at no time felt coerced or forced to contribute by nature of Mr. Farrell's letter or any other written or oral statement from any person.

6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Leo T. McKelvey

LEO T. MC KELVEY

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Richard Henry Jones, being duly sworn, deposes and says:

1. Since May 1936, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Gas Superintendent, San Francisco Division.

2. From June 1976 to the present, I have sat as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I did contribute previously, but discontinued contribution in 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

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have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Richard H Jones

RICHARD HENRY JONES

Subscribed and sworn to before me on July 8th, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

Maria Elena R. Varela

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Edward V. Lathrop, being duly sworn, deposes and says:

1. Since August 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Marketing Manager in the San Francisco Division.

2. Since March of 1977, I have been a member of the San Francisco Division Council.

3. I contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

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have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Edward V Lathrop

EDWARD V. LATHROP

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth Victor Hayes, Jr., being duly sworn, deposes and says:

1. Since 1966, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently an Administrative Analyst in the PGandE General Office.

2. From August 1, 1977, to February 1, 1979, I was an Administrative Analyst in the San Francisco Division Manager's Office and in that capacity sat as a member of the San Francisco Division Council.

3. I have contributed to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") for several years.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund, nor have I personally done so. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, I have been advised on several occasions that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

FRANK J. REGAN

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Frank J. Regan, being duly sworn, deposes and says:

1. Since 1968, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently assigned to the Energy Conservation and Services Department of the General Office.

2. From August 1976 to August 1977, I served as a Special Representative to J. H. Black, Manager of the San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I began contributing in mid-1979.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present of former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Kenneth Victor Hayes Jr.

KENNETH VICTOR HAYES, JR.

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY OF OAKLAND)

Albert F. Vial, being duly sworn, deposes and says:

1. Since June 1939, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently District Manager, Central District, East Bay Division.

2. From 1971 to March 1978, I was District Manager, Northern San Mateo County, San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I did contribute in 1974, 1975, 1976 and 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

6. I recall receiving the attached memorandum of August 6, 1975, from Walter J. Farrell. I did not feel then and do not feel now that the memorandum was in any way coercive.

Albert F. Vial

ALBERT F. VIAL

Subscribed and sworn to before me on July 8th, 1980, in Oakland, California.

C. Warren Fuller

C. WARREN FULLER

OFFICIAL SEAL
C. WARREN FULLER
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN ALAMEDA CO.
My Commission Expires Oct. 29, 1981

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth E. Robin, being duly sworn, deposes and says:

1. Since 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently San Francisco Division Customer Service Manager.

2. From September 1974 to the present, I have been a member of the San Francisco Division Council.

3. I began contributing to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") on or about September 1974 and, with the exception of 1976, have contributed ever since.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics, nor have I personally done so. I have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear

understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation , classification, promotion, job responsibilities, or any other aspect of employment.

6. I recall receiving the attached memorandum of August 6, 1975, from Walter J. Farrell. I did not feel then or now that the memorandum or attachment was in any way coercive.

KENNETH E. ROBIN

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Robert C. Metcalf, being duly sworn, deposes and says:

1. Since February 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently, and have been since 1973, the Credit Manager of San Francisco Division.

2. In 1973, I became a member of the San Francisco Division Council. I no longer attend meetings, but did so in the years 1974 through 1977.

3. I do not contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I have done so in the past and did so at one time or another between 1974 and 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics, have never been told by any present or former employee that such coercion was used by anyone in the Company, nor have I personally ever employed coercive tactics on anyone.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been

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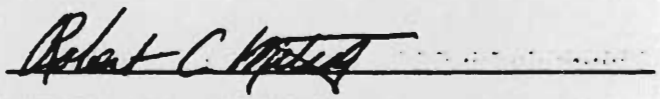
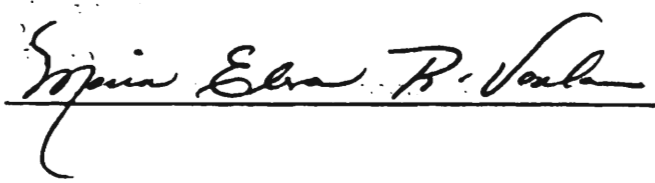
told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. Though I have no specific recollection of dates or persons involved, I believe suggested contribution guidelines were discussed, but at no time was I told by John H. Black or anyone else that a particular amount was required.

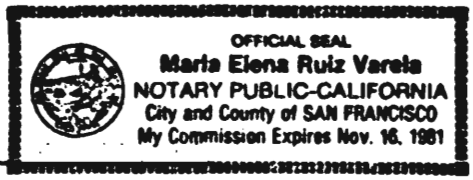
6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.



ROBERT C. METCALF

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.





AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth H. Whalen, being duly sworn, deposes and says:

1. Since December 26, 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently San Francisco Division Electric Superintendent.

2. From February 1, 1969, to the present, I have been San Francisco Division Electric Superintendent and in that capacity sit and have sat as a member of the San Francisco Division Council.

3. While I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), I did make contributions to the Fund in earlier years.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the fund. I have never used such tactics nor have I ever instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. While initially a suggested amount was advanced, it was only a suggestion without any indication of it being a required

amount; nor was it connected with any threats or evidence of coercion or force.

5. I recall receiving a written statement describing the Fund and its voluntary nature at or about the time the Fund was first introduced. I also recall receiving the attached letter from W. J. Farrell dated August 6, 1975, together with fact sheet. I did not then or now feel forced or coerced to contribute by nature of that letter or attachment or any other oral or written statement from any person.

6. On the contrary, it has always been my clear understanding that participation in the Fund and the extent of such participation is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment. It was and continues to be my feeling that a political contribution program such as the Fund is an essential Company activity. This form of involvement in the political process serves both my best interests and those of the Company.

Kenneth H. Whalen

KENNETH H. WHALEN

Subscribed and sworn to before me on
July 9, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

State of California)
) ss:
City of Fresno)

William A. McCandless being duly sworn, deposes and says:

1. Since January 1955 I was employed by Pacific Gas and Electric Company ("PGandE"). Prior to that time I was an employee of Coast Counties Gas and Electric Company. From 1967 to 1977 I served as Marketing Manager, San Francisco Division and in that capacity sat as a member of the San Francisco Division Council. I retired from the Company on February 1, 1977.

2. I did contribute to the Pacific Gas and Electric Company employees' Good Government Fund ("FUND").

3. No PGandE officer, manager, or employee ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination or reprisals to secure or attempt to secure contributions from me to the FUND. I never instructed nor was I instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company in order to secure contributions to the FUND. While there was no expressed or implied coercion or force, nor even a subtle hint of such, whenever a Company program which may involve employee participation, such as the FUND, was presented by a Company representative, I felt, that as a loyal employee, I was obliged to give it serious consideration.

4. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the FUND, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the FUND. Although a suggested guideline of approximately $100 per year was discussed amongst

the Division Council, I was told each time the FUND was discussed by John Black or anyone else that participation and the extent of such participation in the FUND was entirely voluntary.

5. It has always been my clear understanding that participation and the extent of such participation in the FUND is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

William A. McCandless

WILLIAM A. McCANDLESS

SUBSCRIBED AND SWORN BEFORE ME ON

July 8, 1980 in Fresno, California

Jerry J. Wong

OFFICIAL SEAL
JERRY J. WONG
NOTARY PUBLIC, CALIFORNIA
NOTARY BOND FILED IN
FRESNO COUNTY
My Commission Expires July 17, 1981

5/21/80

Dear Ex fellow Employee: THIS COULD HAPPEN TO YOU!!!

After 11 years of hard work for the company, when I was "fireproof, I wasn't. I never received the June 21st letter, as I was in the east from June 12th through July 16th.

The following things happened:

1. I didn't get my June expense check until October
2. I didn't get my vacation pay until October, from the Labor Commiss
3. The State of Nevada had to force PG&E (PSE) to pay me 32 weeks of disability at $146.00 per week (just ran out)
4. I didn't get my first retirement pay until December (due July 1st)
5. I didn't get my stock until December.
6. 1st Disability check in September, due August 1st, they said, not June 21st.
7. They opened my 1st class personal mail after I was fired, and then mailed it to me with buck slips. (violation of postal regulations
8. They lied to the labor commission about my whereabouts.
9. My retirement pay is $321.06 per month. That is my total income!!
10. They harassed me all over the country with wrong addresses, lies about me, making me come to SF to get my retirement card. then telling me I couldn't have it, are still mailing to at least 3 addresses. Room 743 still sends me mail, even though I asked Pete Gerstle to ask them to stop.
11. PSE Credit Union confiscated my $2,499 of savings, then threatened to foreclose my motor home. (may still do it)
12. PSE Let me pay $3,700 more than book for the motorhome last June than book value (they looked in the wrong book)
13. My car was repossessed.
14. Bank of America bounced 11 checks on me
15. Barclays Bank is suing me for over $1,300 for a bill I don't owe.
16. My soon to be ex-wife got a default judgement against me in December because I had no money to hire an attorney. She has stolen over $70,000 from me (sold my dad's stamp collection worth over $70,000 for $500 after breaking into my locked file cabinet.)
17. I collapsed 8/27/79 in St Mary's hospital, Reno, from stress, was in a coma, alone for 2 days in October in Reno, collapsed for 24 hours last Christmas day, and can't sleep, eat, or afford to live right now, and I cannot get a job.
18. The company owes me over $1½ million on a suggestion to convert th fleet to Propane, or natural gas twice, and will not even let me know 20 vehicles are on test in Belmont. This is a violation of the suggestion plan. I made it twice, and they can't find the 1st one, so will claim they only owe me $25,000. I was on the Suggestion Committee for 4 years.
19. I was demoted, as soon as John Black died (even before) in 1977 instead of being promoted as he directed J Cooper, J DeJoung, E Lathrop and J Kinder to do. I have a witness to that.

It is a violation of standard practice 762.3-9

5/21/80

20. I was forced by John Black to give $100.00 per year to the Good Government fund, plus $25.00 to Terry Francios, which I am told is a criminal offense.

21. They got a Burns Guard (or whatever) to keep me out of the annual meeting on threat of arrest, when I had my proxy in my pocket. I called the S.E.C., and the Commission on that.

22. Two guards almost threw me out of 77 Beale St last week when I was talking to Ted Fuller, editor of the progress

23. Malcolm Furbush, Bob Ohlbach, and Dan Gibson said many insulting untrue things about me at the C.P.U.C. I've got Malcolm on 7 counts of written perjury right now.

24. I never received the yellow tag firing me. I was transferred to th retirement payroll in December, backdated to July 1st.

25. I am now an official protester at the Commission on all rate cases. I have been a witness for the company, on 2 rate cases, in each one at the judges request. I know where all the bodies are buried. I cost the company $121.5 million on the last ECAC TURN cost them the other $100 million.

26. I am going to "blow them out of the water" on that STUPID ZIP program of free money for 20 years or longer in San Joaquin, paid for by the rest of us stupid ratepayers. This will be in the hearings on May 28th. The company will learn that day they are going to have a price fixing anti-trust suit filed against them, perhaps for about $50 million, and not by me. It will be a turkey shoot.

27. I have filed or caused to be filed class action Age, Sex, and minority discrimination suits, Federal and State Political Practices suits, and a Federal Compliance complaint, plus my own Suit, case 10838 dated February 24, 1980 at the commission. It is over 100 pages long, and cost me $269.00 so far to file it. I am my own attorney

28. I had to sell my stock at a loss to keep going, and am about broke, but still fighting.

29. NOW-IF YOU CARE, DO A COUPLE OF THINGS. First, make ten copies of this packet and give it to ten other employees, as I can't afford it. Second, file your own complaints at the following addresses. YOU ARE PROTECTED FROM RETALIATION FROM THE COMPANY BY FEDERAL LAW.

Age Discrimination: EEOC, 3rd floor Mr.Gale Bosche
Fox Plaza, 1390 Market,
San Francisco, Ca. 94102

Sex Discrimination ditto Mr. Glen Cochran

Minority discrimination and demotion, etc ditto and also
US Dept of Labor
Office of Federal Contract Compliance
Federal Building Roome 11435
450 Golden Gate Ave
San Francisco, Calif. 94102 Mr. James W Chin

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5/21/80

29. cont'd

Good Government fund forced to give.	U S Attorney's Office Andrea Metcalf 16th Floor 450 Golden Gate Ave San Francisco, Calif. 94102
ditto State	Fair Political Practices Comm. PO Box 807 Sacramento, Calif. 95814 Attn: Jim Mc Manus, Chief Investigator
ditoo, and:	your local District Attorney, or City Attorney
Anything about the lousy way those turkeys are running the company, such as dishonesty by executives, waste, poor job conditions, nepotism, inefficiency, you name it	William B. Hancock, Case No 1083 c/o Diane Elder, Docket Office, 5th floor, C. P. U. C. 455 Golden Gate Avenue, San Francisco, Calif. 94102

30. If you care about me continuing this, please include a buck, 5 or ten bucks with your letter to me, if you want to help. I'll pay you back when I get some money from my wife, or the company if you want to loan it to me. If not, I'll donate anything left over to United way, if you will let me.

Your stock is going to go to "hell in a handbasket" if I continue fighting the company on all fronts. I served with General George S. Patton Jr. as a P. F. C. in 1944-5, and as Mr. Mielke already knows, compared to me, General Patton is a soft pussycat. You should see the letters written about me being mad last June 7th. I wasn't mad, Mr. Mielke, I was just "funnin". If you ever get me mad, mister, it is inadvisable to be in front of me when I start toward you. I am presently doing 22 mph in a 55 mile zone. Don't get me up to 55, Mr. Mielke, or Board of Directors. I do not give quarter to liars and thieves.

The company has successfully kept many papers, and TV stations from printing my story, but it will break and when it does, the public is going to "come off the walls" even if you stockholders don't. Remember:

ONE MAN--WITH COURAGE--IS A MAJORITY!!!!!

I AM THAT MAN

31. They did worse to my friend Bill Cheatham of Personnel since I was fired. Do you care--enough??

William B Hancock

United Way Chairman Savings Bond Chairman SF Chamber of Commerce Soliciter (most memberships in history, won trip to Hawaii for Dist. Manager [illegible]	Sweet William or "Wild Bill" Steam System Engineer, Energy Utilization Engineer, Administrative Analyst, SF Div Fired ex-employee

0 0 0 4 0 2 2 3 7 3 7

A complaint was recently filed before the Public Utilities Commission demanding that California's greatist supplier of energy , (P.G.E.), show just cause, or at least give a few good reasons , for the contention that it has had an attitude of negligency over the past decade. Filed by one of it's own retired engineers, the complaint charges the company with bad management and a ten year policy of total complacency towards creeping inflation, impen--ding energy shortages and the projected needs of it's customers.

Robert Ohlbach, of P.G.E.s Associate General Counsel, has been named as a chief defendant in the matter along with the other officers in the company. He has been given 30 days, (since March 5th), to explain to the P.U.C., and the complainant, why P.G.E, when offered a cheap source of energy in the Sonoma Geyser Project, waited instead for the Union Oil Co. to move in and share the contract negotiations with them. He is also being asked to explain why P.G.E, with many different kinds of resources available to produce marketable energy, has taken such great pains to tie it's ratepayers and stockholders to an index based on the price of coal, oil and natural gas. (According to the complaint, O.P.E.C.s control of these prices,enevitably, cost ratepayers hundreds of millions of dollars.).

Describing P.G.E.s management as "woefully inadequate in many areas" the complaint recites a long list of circumstances, past and present, whereby it claims that the different depts. within the Co. have;

1- Willfully ignored the requests of the C.P.U.C..
2- Tried to hide savings from it's ratepayers.
3-Refused to cooperate with other companies, (such as the S.M.U.D.) in trying to lower energy prices through joint effort.
4- Operated antique equipment, (in the Sanfrancisco Area), with total disregard for public safety.

0 0 4 0 2 3 7 3 9

5- Wasted money on systems that never worked.
6- padded invoices.
7- discriminated against people for age, and not ability.
8- Ignored good suggestions from energy conservation minded employees.
9- Stuffed audit programs with inadequately trained personel.
10- Punishing low grade personel for management violations in order to sweep incidences"under the rug".

Continuing, in a dramatic way, its critisims of the way the company treats it's own personel, the complaint charges P.G.E. with ignoring immediate conservation suggestions from it's employees and then using them later without rewarding the person who made them. (The case of reducing the energy use of 77 Beale St., which P.G.E. is now advertising, is listed as one of these incidents.).

Since lack of good management is listed in the complaint as being primarily responsible for the multitude of sins that the Co. is being charged with:it's exibits include a letter from a former division manager,(John H. Black), that seemingly served to delegate his responsibilities to his secretary, B.K. Duffy. According to this exibit, the whole S.F. division was run by a non-executive employee for a year and 7 months.
Another exibit, in the complaint, includes a statement by A.1.J. Gillanders made during a hearing . "I would'nt want to have to spell it out clearly in any detail for the world to read, but ,at this stage of the game, I would have to point out the inadequacies of the internal management of P.G. E.,

All of these management failures,as contended by the complaint, (and including the poor treatment of it's own personel), are related to the present utility rates now paid by P.G.Es customers.

0 0 4 0 2 7 3 9

Some courses of action suggested by the complainant include;

1- The issuance of subpeona's for the personal records of many, high ranking officials in the company.
2- The auditing of the records of the San Joaquin Division by an outside firm.
3- An ongoing investigation of the Commission of the company's affirmative action program.
4- A cancilation of the company's Energy Audit program until experienced engineers can be hired.
5- The issuance of an order ceasing all commute driving in company cars unless personel are on call.
6- The conversion of gasoline powered company cars to dual fuel vehicles.
7- Submission of a list of all energy conservation suggestions recieved by P.G.E. since 1970.
8- An audit of the P.S.E. Credit Union to determine staffing and quality of personel.
9- Reduction of the size of the design, drafting and engineering departments.
10- Auditing of the "Good Government Fund" by outside auditors.
11- Open negotiations with the city of Alameda to buy their electric system.
12- The stopping of non essential company publications and advertising until cash flow is improved.

SUMMARY

0 0 4 0 2 3 7 4 0

IT'S DIFFICULT TO
SOAR WITH EAGLES
WHEN YOU
WORK WITH
TURKEYS

EXHIBIT P

Case No. 10838

PACIFIC GAS AND ELECTRIC COMPANY

245 MARKET STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

J. ARTHUR FAIRCHILD
COMPANY MANAGER

July 10, 1979

CERTIFIED
NOT RECEIVED
RETURNED

Mr. William B. Hancock
625 Post Street, #609
San Francisco, CA 94109

Dear Bill:

In my letter to you dated June 21, 1979, it was stated that it was necessary for you to contact your supervisor or other authorized Company personnel within a ten day period, beginning June 21, in order for you to have continued employment with the Company. Since you have not attempted to report to work or communicate with us during that time, your employment with the PGandE Company is hereby terminated. Your termination will be made retroactive to your last day of sick leave, June 21, 1979.

In the past your supervisor and I have expressed our concerns about your behavior and offered assistance to you. As an example, on May 9, 1979, Jerry and I met with you to discuss your behavior at the Steam Study Committee meeting the previous day. During our meeting, we expressed our concern and offered the services of an Employee Assistance Counselor to you, LIE which you refused. After your actions of June 7, 1979, we again attempted to arrange a meeting for you with an Employee Assistance Counselor to advise and assist you. We went so far as to schedule a subsequent appointment for you for examination by our Company LIE physician. We attempted to arrange this through your physician, Dr. Robert Kimmich. You refused to meet with the Counselor and go to our Company doctor. You have not communicated with me or your supervisor since that time. You also continued to perform unauthorized activities contrary to our instructions while on sick leave. HOW COULD I??

BULLSHIT!

Please forward your Identification badge and Company keys to me as soon as possible. Your payroll check for the month of June 1979 is enclosed, as well as your personal check for $70.00 that you forwarded to Mr. F. W. Mielke with your letter of June 7, 1979.

It is necessary for you to complete Company forms concerning the final disposition of your participation in the Employee Benefit Plans to which you belong. As soon as these have been prepared, they will be forwarded to you for completion. A check for any unused vacation that you are entitled to will also be mailed directly to you.

Sincerely,

E. V. Lathrop

E. V. Lathrop
Division Marketing Manager

EVL:kmn
bcc: RAClark
JSCooper
JAFairchild

EXHIBIT R Case No. 10838

June 11, 1979

Mr. E V Lathrop

Mr. G Tyson has been harassing me about my work since May 2, 1979. I have tried to conform to his wishes, but they change every time he talks with me.

I have an appointment with my doctor June 12, 1979 to discuss the situation. I will submit the doctor's recommendations as soon as I have talked withhim.

William B Hancock

William B Hancock
Energy Utilization Engineer

00010-2374 3

WBH: Please bring in for NISA [illegible]

Trans 5/9

5/8/79

Gerry:

I would like to request two weeks off without pay for personal business on the East Coast starting Monday May 14, 1979. I have nothing pressing, as my seminar this Friday will be over, and there is nothing scheduled that I know of, that must be done. I would appreciate this as my dad is 89 years old and in good health, but I can visit him while there on the business. I would rather see him alive now, that go back to a funeral later. Thanks for the consideration.

Bill Hancock

REFUSED!

WOULD HAVE SAVED ME FROM BEING FIRED!

&

LOSING $70,000 PLUS $20,000 THIS PAST 11 MONTH

0004023744

909906

RECEIVED FEC#2492

PACIFIC GAS AND ELECTRIC COMPANY

80 SEP 2 A10:32

PG&E

77 BEALE STREET, 31ST FLOOR • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211

MALCOLM H. FURBUSH
VICE PRESIDENT AND GENERAL COUNSEL

ROBERT OHLBACH
ASSOCIATE GENERAL COUNSEL

CHARLES T. VAN DEUSEN
PHILIP A. CRANE, JR.
HENRY J. LaPLANTE
JOHN S. GIBSON
ARTHUR L. HILLMAN, JR.
CHARLES W. THISSELL
DANIEL E. GIBSON
ASSISTANT GENERAL COUNSEL

GILBERT L. HARRICK
GLENN WEST, JR.
JOSEPH I. KELLY
HOWARD V. GOLUB
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JACK F. FALLIN, JR.
BERNARD J. DELLASANTA
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DAVID C. GILBERT
PAULA Y. HAYNES
F. RONALD LAUPHEIMER
HARRY W. LONG, JR.
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J. MICHAEL REIDENBACH
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LEIGH S. CASSIDY
AUDREY A. DAINES
MICHAEL G. DESMARAIS
GARY P. ENCINAS
JOHN H. FOYE
PATRICK G. GOLDEN
JUAN M. JAYO
MEREE E. LIPSON
JESSICA LORING
A. KIRK MCKENZIE
RICHARD L. MEISS
ROBERT J. PETERS
ROBERT R. RICKETT
SHIRLEY A. SANDERSON
JO ANN SHAFFER
LOUIS E. VINCENT
SHIRLEY A. WOO
KENNETH YANG
ATTORNEYS

August 29, 1980

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20463

Attention: Victor Sterling, Esq.

RE: MUR 1248

Dear Mr. Steele:

The enclosed summary is forwarded to you at the request of Victor Sterling of your office.

Mr. Sterling asked that I also furnish a background statement with regard to the portion of the March, 1975 summary which, on page 2, specified a minimum amount in those cases when a contribution to the Fund was made by a check rather than by payroll deduction. This provision was included because of a concern that the administrative expense of processing checks for small amounts would not be cost-effective. It was found, however, that employees nevertheless contributed below the stated $10 minimum and that, contrary to earlier expectations, the cost of processing such checks was not unduly burdensome. No checks were ever refused because of their amount.

80 SEP 2 A11:22

RECEIVED
GENERAL COUNSEL

00040023745

On August 1, 1976, the Fund issued a revised summary (see enclosed) updating various provisions thereof and deleting the portion on page 2 discussed above. This language was omitted because the concern regarding the receipt of inordinately small checks proved to be unfounded, the cost of processing checks of less than $10 was not significant, and the provision was never adhered to in practice. In fact, the Fund has never returned a contribution because of its size. In 1974 the Fund accepted 19 checks in amounts of less than $10, in 1975 the Fund accepted 493 checks in amounts of less than $10, and in 1976 the Fund accepted 409 checks in amounts of less than $10.

If you should have any further questions with regard to this matter, please do not hesitate to contact me.

Very truly yours,

Joseph I. Kelly

JOSEPH I. KELLY

JIK:cr
Encl.

00402374 5

THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September, 1974, as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates and official committees of political parties on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Customer Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and federal office and official committees of political parties; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates and committees should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns and official committees of political parties at the discretion of the Managing Committee.

---

* A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P.O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106. All contributions to the Good Government Fund are subject to the limitations specified under Federal law.

8-1-76

B00402237747

(2) Employees who prefer to designate the candidate or committee to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign or committee they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign or committee on behalf of the employees.

Participation in the GOOD GOVERNMENT FUND is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

WHO MAY PARTICIPATE IN THE GOOD GOVERNMENT FUND?

Any employee who is a PGandE shareholder, or whose spouse is a PGandE shareholder, may participate in the FUND (members of the Company's Saving Fund Plan are Company shareholders). Under federal law, however, an employee who is not a shareholder and whose spouse is not a shareholder may not participate in the FUND if he or she is (a) a "non-exempt" employee (that is, subject to the Fair Labor Standards Act), (b) an "exempt" employee who is a member of labor organization, or (c) a foreman who directly supervises "non-exempt" employees. Employees other than these may participate in the Fund. whether or not they are shareholders.

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1975, a total of 1110 employees participated in the FUND; 1050 contributed directly to it, and 60 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates and committees. Of the 1050 who gave directly to the FUND, the average donation was approximately $18.50.

0 0 0 4 0 2 2 3 7 4 8

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates and committees. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

If you utilize the FUND as an intermediary for contributions made payable directly to individual federal candidates or committees, it will be necessary for the FUND to itemize your name, street address, and the identity of the federal candidate or committee to whom you contributed, regardless of the amount of the contribution. If the contribution is over $100, it will also be necessary to itemize your occupation and employer (PGandE, PGT, StanPac, or PSEA). This information will also be disclosed in the recipient campaign committee's disclosure statement.

Under California state law, the FUND has no obligation to disclose in its public filings any information when it serves as an intermediary. However, in the spirit of disclosure, the FUND has adopted the policy of listing each state and local candidate or committee to which it transmitted contributions as an intermediary, together with the total amount contributed. The FUND does not list the names of the individual contributors for whom it served as intermediary for checks made payable to state and local candidates or committees, but the recipient candidate or committee probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates and official committees of political parties, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1976 federal taxes (payable in 1977), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1976 California state income taxes (payable in 1977) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return, provided that each party to the joint return contributes at least $100), but there is no tax credit.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through their personal checking accounts. Contributions to official ballot measure campaign committees, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a candidate's political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1975, the average FUND donation to candidates was less than $200).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

8-1-76

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HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribution to it and the candidates and committees to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

0004023751

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new _____ revised _____ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

Job Classification _____

I am _____ am not_____ a PGandE shareholder (members of the Savings Fund Plan are PGandE shareholders).

8-1-76

61-4429

6 0 0 4 0 2 2 3 7 5 3

PACIFIC GAS AND ELECTRIC COMPANY

77 BEALE STREET
SAN FRANCISCO, CALIFORNIA 94106

RECEIVED

80 SEP 2 A10:32

When Delivery Must Be Assured.....

CHICAGO (800) 621-1201
NEW YORK (800) 221-6848
LOS ANGELES (800) 421-5883

FIRST CLASS MAIL

FROM — PG&E
J. I. Kelly, Law Dept.

TO Charles N. Steele, Esq.
General Counsel 1325 K
Federal Election Commission
Washington, D.C. 20463

Attn: Victor Sterling, Esq.

ORDER NO. _____

533 Sutter St. No 900
San Francisco, Calif. 941
June 25, 1980

WILLIAM B. HANCOCK

Federal Election Commission
1325 K St. NW
Washington, D. C. 20463

Attention: Charles N. Steele, General Cousel

Dear Sir:

Your letter of June 18th, leaves me with a feeling of apprehension that my complaint will be "swept under the rug" in the mill of bureauocracy. As a result, I am enclosing further data I have accumulated on PG&E, to make sure that your staff member realizes the extent of PG&E management's involvement in hiding the way they force contributions.

The document is in my handwriting, dated 4/18/80, and lists the people at PG&E who gave (very partial list), and who the money was given to. Mr. Farrell, 2. gave until 1977, at which time he was no longer bag man, and then changed jobs. He no longer gave in his new job. Mr Bouret, also gave until his boss, J.H. Black died,

Mr. Howatt is Sacramento Division Manager, making about $50,000 per year. Mr. Wong works in Energy conservation at about $30,000.

Mr. Kelly, attorney, and member of the audit committee is in the $50,000/ year bracket, but Mr. DeYoung VP is in the $80,000 bracket, but gives less than Mr. Cooper, who was his subordinate.

If your investigator could come out here and go to the Secretary of State's office I can show violations by more than 20 firms, including Bank of America, Crocker, Wells Fargo, Bohannon Development, Southern Pacific, Walter Shorenstein, Dart Industries, Long Drugs, Occidental, and many others, and also conflict of interest in politicians receiving, such as the Attorney General who has not investigated my 8/13/79 complaint. He received very much PAC money. You don't bite the hand that feeds you.

This goes to the heart of our electoral process, and according to many observers, will rule the country if not stopped.

Are you a "paper tiger", or can I depend on a fair shake???

Sincerely

William B Hancock

William B. Hancock

Encl: Good Government, Getting and Giving
Attachment A, page 1 Of 6, ID 744249, 4/24-5/22/78

PS: PG&E HAS FORBIDDEN ALL EMPLOYEES TO TALK WITH ME.

GETTING

GOOD GOVERNMENT FUND 4/18/80

J S COOPER MANAGER CUM

5/23 - 6/23/78 FROM 1/1/77 $ 365

7/21 - 9/22/78 7/1/78 75

76 1-2 $20 5/21 $20 8 $20 - 9 $20 CUM 1/1/76 ~~$40~~ ~~140~~ 240

6-7/76 40 10-12 6

12/31/78 $ 150

12/31/79 $ 300

D GIBSON ATTY GEN COUNSEL PGT

6/5 - 6/22/78 CUM 1/77 $ 315

7/25 8/30 7/1/78 $ 50

5/31/76 10-12 $ 10 ~~50~~

6-7 8-10 9-10 20 ~~70~~ 120

CUM 77 165

ASST GC PGT 12/31/78 $ 150

79 $ 325

CUM CU

J Y DEY VP

5/23 - 6/23 $ 180

5/21/76 10 ~~50~~

6-7 9-10 20 ~~70~~

8 10 120

12/31/78 60

12/31/79 $ 120

I

0004022375 5

W J FARRELL REP
5/23/75 - 6/30/75 1/1/77 $ 100

LATHROP MGR
IN 75 FROM 1/1/77 $120
12/31/75 $ 60
12/31/79 $ 120

BOURET
1/1/77 $60

0004002237556

3

			CUM
HOWATT	76		60
78 FROM	1/1/77	$	90 —
	12/31/77		60
WONG	76		60
	1/1/77	$	90
KELLY	76		60
78 FROM	1/1/77	$	95
	12/31/77	$	60
	12/31/79	$	120
ALTMAN	6-7/76 8-0	20 11-10	50
	1/1/77	$	100
FOR	12/31/77		50

0004022 3757

4

~~SPAN~~

SPROUL VT

1/1/77 - 8 75

12/31/77 75

GRASSER

8 72

CUNNINGHAM

8 72

BEANLAND

8 72

M BONNER ADMIN

8 72

IV

0004023758

5

RADFORD

1/1/77 $100

WILBUR SHINNER

1/1/77 $65

PAUL BAILEY

1/1/77 $54 —

BRAND

1/1/77 $54

V

60040223759

6

PRIDMORE 11/1/78 $ 54

J DUNCAN 11 $50-

0004022376 0

VI

I GOOD GOVERNMENT FUND

4/18/81

GIVING COMM FOR PEWSI 79 $ 750 -
COMMITTEE RON $ 750

MOLINART 1/76-2/76 50
1/1/77 $ 500

COMM 12/31/77 50
200

JL SUPV " $ 400
COMM 79 $ 175
JL M-SF BOARD $ 425

MILLS 12/31/77 COMM. $ 500
/ $ 500

DIANE - SUPV 12/77 $ 400
FEINSTEIN FOR SUP 12/31/77 $ 400
FEINSTEIN S
78 $ 400

HOPP - SUPV $ 50
COMM FOR HOPP 12/31/77 $ 50
HOPP $ 50

HUTCH $ 250

VII

00040223761

41

DOLSON	78	$	350
COMM FOR D	12/31/77		250
DOLSON SUPV	"		25
COMM FOR	79	$	550
LEE D	79		750
RILES		$	200
YOUNGER - CURB-78	12/31/78	$	1,670 —
BROWN	"		500
MIKE CURB VARIOUS		$	500
CAMPAIGN COMM	76	$	300
WILLIE BROWN		$	200
FRIENDS OF DAN WHITE	78	$	250
DAN WHITE	78	$	250
EU - SEC'Y	12/31/77	$	200
EU	~~76 2-4/76~~	$	200
EU	77	$	200
78 DINNER	77	$	250
HER	77		250
12/31/77 DINNER			200
M FEU	12/31/78 VIII		250

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III

GONZALES	4/75 - 5/75	COM	$ 500
RG FOR SUPV	12/31/77		$ 150
BOB G SUPV	12/31/77		400
GONZ CAMP COM	12/31/77		$ 250
BOBE	"		500
BARBAGELATA	1-2/76		$ 465-

MOSCONE	COMM	77	$ 210
MOSCONE	DINNER		$ 300

RENDSAGNOS	76	$ 200
AGNOS	76	$ 200

18TH ASSY DIST FUND MCCARTHY	$ 500	COM 76
LT MCCARTH	$ 500	COM 76
12/79 LT ASSY	$ 600	

IX

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ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date
1. Expenditures in the form of transfers to state and local candidates not yet disclosed by the Good Government Fund in a post election statement filed in connection with elections in which the recipients were seeking elections.			
Alfred E. Alquist-State Senate 11th S.D.	x Support Oppose	$ -0-	$ 350.00
John Bee-Member, Oakland City Council	x Support Oppose	-0-	200.00
Daniel Boatwright-State Assembly 10th A.D.	x Support Oppose	-0-	200.00
Fred F. Cooper-Alameda County Board of Supervisors	x Support Oppose	-0-	400.00
Tom Corcoran-Member, Richmond City Council	x Support Oppose	-0-	100.00
Wadie P. Deddeh-State Assembly 80th A.D.	x Support Oppose	-0-	100.00
Democratic Advisory Committee - Various Democratic State Campaigns	x Support Oppose	-0-	1,000.00
Ralph C. Dills-State Senator 28th S.D.	x Support Oppose	-0-	500.00
Charles Goady-Member, Oakland Board of Education	x Support Oppose	-0-	100.00
Bob Gonzales-Supervisor, Board of Supervisors San Francisco BAD	x Support Oppose	-0-	500.00
Dan Greco-Member, Richmond City Council	x Support Oppose	-0-	100.00
Lorenzo Hoopes-Member, Oakland Board of Education	x Support Oppose	-0-	100.00
John L. Molinari-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	500.00
Richard Nevins-Member, California State Board of Equalization	x Support Oppose	-0-	150.00
Lou Papan-State Assembly 19th A.D.	x Support Oppose	100.00	300.00
Robert Presley-State Senate 34th S.D.	x Support Oppose	-0-	250.00
Helen Putnam-Mayor, City of Petaluma	x Support Oppose	-0-	150.00

William B Hancock
533 Sutter St. No 900
San Francisco, Calif. 94102

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Federal Election Commission
Att: Charles N. Steele, General Counsel
1325 K ST. NW. Washington, D C
ZIP 20463

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PACIFIC GAS AND ELECTRIC COMPANY

PG&E

77 BEALE STREET, 31ST FLOOR • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211

MALCOLM H. FURBUSH
VICE PRESIDENT AND GENERAL COUNSEL

ROBERT OHLBACH
ASSOCIATE GENERAL COUNSEL

CHARLES T. VAN DEUSEN
PHILIP A. CRANE, JR.
HENRY J. LaPLANTE
JOHN B. GIBSON
ARTHUR L. HILLMAN, JR.
CHARLES W. THISSELL
DANIEL E. GIBSON
ASSISTANT GENERAL COUNSEL

GILBERT L. HARRISON
GLENN WEST, JR.
JOSEPH I. KELLY
HOWARD V. GOLUB
JAMES B. LOBSDON
ROBERT L. GORDON
PETER W. HANSEMEN
THEODORE L. LINDSERS, JR.
DOUGLAS A. GALESSY
EDWARD J. McGANNEY
DAN BRAYSON LUBBOCK
JACK F. FALLIN, JR.
BERNARD J. DELLASANTA
JOSHUA BARLEY
JOSEPH B. ENGLERT, JR.
ROBERT L. HARRIS
RICHARD F. LOCKE
DAVID L. LUDVIGSON
SENIOR COUNSEL

DAVID W. ANDERSON
J. PETER BAUMGARTNER
STEVEN P. BURKE
PAMELA CHAPPELLE
BRIAN S. DENTON
WILLIAM H. EDWARDS
DONALD O. ERICKSON
DAVID C. GILBERT
PAULA Y. HAYNES
F. RONALD LAUPHEIMER
HARRY W. LOWE, JR.
JOHN R. LOW
ROBERT S. McLENNAN
RICHARD H. MOSS
J. MICHAEL REIDENBACH
IVOR E. SAWSON
SUE ANN LEVIN SCHIFF
JACK W. SHUCK
DAVID J. WILLIAMSON
BRUCE R. WORTHINGTON
NATHAN T. ANNAND
DIANA BERGHAUSEN
LEIGH S. CASSIDY
AUDREY A. DAINES
MICHAEL G. DESHARAIS
GARY P. ENCINAS
JOHN H. FEYE
PATRICK G. GOLDEN
JUAN M. JAYO
MERCK E. LIPSON
JESSICA LOBING
A. KIRK McKENZIE
RICHARD L. MEISS
ROBERT J. PETERS
ROBERT S. RICKETT
SHIRLEY A. SANDERSON
JO ANN SHAFFER
LOUIS E. VINCENT
SHIRLEY A. WOO
KENNETH YANG
ATTORNEYS

July 9, 1979

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RECEIVED
CLERK OF THE
GENERAL COUNSEL

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20463

Attention Kevin Smith, Esq.

Re: MUR 1248

Dear Mr. Steele:

Pursuant to your letter of June 18, 1980, and Code of Federal Regulations section 111.6, respondents Pacific Gas and Electric Company ("PGandE") and the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") submit this response to Mr. Hancock's complaint of June 10, 1980.1/ Three additional copies of this response are provided. Please conform and mark received one of the copies and return it to me in the enclosed envelope. The other two copies are provided for your convenience.

It is respondents' position that the the Commission should take no action in the matter, since Mr. Hancock has not stated a case against respondents and since the respondents have not violated the Federal Election Campaign Act of 1971 as amended or Chapter 95 and 96 of Title 26 of the United States Code.

INTRODUCTION

a. The Company

PGandE is an operating public utility engaged principally in the business of supplying electric and natural gas service throughout most of northern and central California, a

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territory with an estimated population of approximately 9,271,000. As of December 31, 1979, the Company served approximately 3,366,000 electric customers and 2,805,000 gas customers.

PGandE was incorporated in California in 1905. Its principal executive offices are located at 77 Beale Street, San Francisco, California 94106.2/ Over 26,000 persons are currently employed by PGandE and its subsidiaries, of which approximately 6,000 are exempted from the Fair Labor Standards Act.3/

b. The Fund

The Fund was formed in September of 1974 and was initially designed to support only local and state candidates.4/ In May of 1975, the Fund registered pursuant to federal law and has, since then, also supported federal candidates.5/ Between 1974 and 1979, the number of employees participating in the Fund ranged between a low of 804 in 1974 and a high of 1,051 in 1975. During the same five-year period, total annual receipts were between a low of $21,717 (in 1974) and a high of $28,754 (in 1976).6/ Since its inception, it has been governed by a three-member Managing Committee composed of Joseph Y. DeYoung, Ellis B. Langley, Jr., and F. A. Peter, all of whom are officers of PGandE. The Managing Committee is charged with the responsibilities of establishing and operating the Fund. It has established procedures and policy for solicitations, collections, reporting, and disbursing of funds.7/

COMPLAINANT'S ALLEGATIONS

In his complaint, Mr. Hancock states that "During the years 1974 through 1977, I was forced to contribute to the 'Good Government Fund' by the Division Manager, John H. Black, since deceased." He also states that he was ordered (presumably by Mr. Black) to contribute $100.00 per year and that a similar pattern can be found throughout the Company.8/

RESPONDENT'S REPLY

The gravamen of Mr. Hancock's complaint is that during a three-year period, involving the years 1974 through 1977, he was forced to contribute to the Good Government Fund by John H. Black, who, after a prolonged illness which disabled him for many months, died on October 12, 1977.9/ Mr. Black is not alleged to have been, nor in fact was he at anytime, a member of the Fund's Managing Committee.10/ There is no allegation that the alleged coercive practice continued past Mr. Black's death (although Mr. Hancock was employed by PGandE until mid-1979).

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Additionally, while he has recently filed a number of complaints with governmental agencies (infra.), there is no allegation that Mr. Hancock complained to any PGandE officer, manager, or employee, or any member of the Managing Committee of the Fund, or any person connected with the Fund, about such alleged coercion.

The first indication of any complaint by Mr. Hancock of alleged coercive activity appears to be contained in his attempt to have the San Francisco District Attorney take action in July and August of 1979. (See Mr. Hancock's August 12, 1979, letter to Mr. Richard Miller, attached to this complaint, with copies to the Political Reform Division of the California Secretary of State; California Attorney General; and the California Fair Political Practices Commission). Thereafter, on March 3, 1980, Mr. Hancock filed a lengthy complaint with the California Public Utilities Commission itemizing numerous allegations against the Company, including allegations concerning the Good Government Fund (pages 19-20).11/ Subsequently, Mr. Hancock issued a written communication dated May 21, 1980, addressed to "Dear Ex Fellow Employee" itemizing various complaints against the Company, including his allegation that he was "forced by John Black to give $100 per year to the Good Government fund, plus $25.00 to Terry Francios, which I am told is a criminal offense."12/

The record clearly indicates that, since its inception, the stated policy of the Fund has been based wholly upon the voluntary participation by eligible employees. Participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment.13/ No member of the Managing Committee has ever secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals,14/ and, until they were informed of Mr. Hancock's recent complaints, none has ever been advised of any such practice by Mr. Black or anyone else during the nearly six years that the program has been operating.15/

Written documentation attesting to the voluntary nature of the program has been made available to eligible employees since the inception of the program and clearly advises that: "Participation in . . . the Good Government Fund . . . is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment."16/ It is, and has always been, the policy of the Fund to provide a copy of the most recent version of the written solicitation to eligible employees.17/ Mr. Black received a copy of this written solicitation statement even before the Fund was expanded to include federal candidates.18/ Mr. Farrell (mentioned by Mr. Hancock) provided a copy to the San Francisco Division Council.19/

While respondents cannot discuss Mr. Hancock's allegations with Mr. Black (deceased), the record clearly indicates that at no time did he or any of his successors violate the Company and Fund policy that participation in the Fund be based solely upon voluntary participation by eligible employees. Neither of Mr. Black's successors have ever secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, or reprisals;20/ and until they were advised of Mr. Hancock's recent complaint, neither had ever been advised of any coercion by Mr. Black or anyone else during the nearly six years that the program has been operating.21/ In addition, neither Mr. Farrell nor the Division secretary witnessed or heard of any coercion of employees by Mr. Black or by anyone else.22/

With three exceptions, it has been possible to contact and obtain a statement from every person who was a member of the San Francisco Division Council between the years 1974 and 1977.23/ All of these persons state that no physical force, job discrimination, financial reprisals, or threats of such practice were ever used to secure or attempt to secure contributions to the Fund. None was ever instructed to use such practices, nor did they instruct others to do so. With the possible exception of the recent allegations by Mr. Hancock, none has ever been told by any present or former employee that coercion was used.24/

While some of these individuals recall that suggested contribution guidelines were discussed,25/ all state that they were never instructed, nor did they instruct anyone else, to force or require any employee to contribute a specific sum to the Fund. On the contrary, it has always been their clear understanding that participation in the Fund was voluntary and would have no bearing on any employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.26/

CONCLUSION

The uncontroverted policy of the Fund and the overwhelming evidence demonstrates that PGandE and the Fund are committed to the policy and practice of operating a voluntary committee free from any activities or methods violative of the Federal Election Campaign Act.

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There is, therefore, no cause for the Commission to take any action in this matter.

Sincerely yours,

ROBERT OHLBACH
JOSEPH I. KELLY
PATRICK G. GOLDEN

By Joseph I. Kelly
JOSEPH I. KELLY
Attorney for
Respondent Pacific Gas and
Electric Company and the Fund

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FOOTNOTES

1/ While Mr. Hancock states that his complaint is "...against Pacific Gas and Electric Company...," this response is submitted on behalf of the Company and the Fund.

2/ Attachment 1, 10-k statement, p. 2.

3/ Attachment 2, statement of Russ H. Cunningham.

4/ Attachment 3, California State Committee Statement of Organization; Attachment 4, Statement of Ellis B. Langley, Jr. p. 1, lines 11-12.

5/ Attachment 4, Langley, p. 1, lines 12-13; Attachment 5, federal registration forms.

6/ Attachment 6, statement of Michael T. Moe, lines 8-9.

7/ See written solicitations attached to Attachment 4.

8/ PGandE is divided into thirteen divisions (see Attachment 7). Each division is under the immediate control of a division manager.

9/ Attachment 8, certified copy of death certificate of John H. Black.

10/ Attachment 4, p. 1, lines 15-16.

11/ CPUC pleadings in Case No. 10838, Attachment 30.

12/ Communication dated May 21, 1980, Attachment 29.

13/ Attachment 4, p. 1, lines 17-25; Attachment 9, statement of Joseph Y. DeYoung, p. 1, lines 10-14; Attachment 10, statement of F. A. Peter, p. 1, lines 10-15.

14/ Attachment 4, p. 2, lines 6-11; Attachment 9, p. 1, lines 21-25; Attachment 10, p. 1, lines 20-24.

15/ Attachment 4, p. 2, lines 12-21; Attachment 9, p. 2, lines 3-12; Attachment 10, p. 2, lines 1-10.

16/ See page 2 of solicitation statements attached to Ellis B. Langley's statement (Attachment 4).

17/ Attachment 4, p. 1, line 25 to p. 2, line 1.

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18/ Attachment 14, p. 2, lines 2-5.

19/ Attachment 13, p. 1, line 23, p. 2, line 5.

20/ Attachment 11, statement of Howard M. McKinley, lines 10-16; Attachment 12, statement of J. Art Fairchild, p. 1, lines 9-17.

21/ Attachment 11, p. 1, lines 14-16; Attachment 12, p. 1, lines 14-17.

22/ Attachment 13, p. 1, lines 19-22; Attachment 14, p. 1, line 22 to p. 2, line 1.

23/ The persons who were members of the San Francisco Division Council at one time or another between 1974 and 1977 were: M. A. Balke; R. G. Bouret; W. J. Farrell; W. B. Hancock; J. Kinder; L. T. McKelvey; C. A. Miller; R. H. Jones; E. V. Lathrop; K. V. Hayes; F. J. Regan; A. F. Vial; K. E. Robin; R. C. Metcalf; K. H. Whalen; J. H. Black; W. A. McCandless. Attachment 15, July 8 statement of Bonnie Duffy, lines 11-17. Of these persons, John H. Black is deceased (supra footnote 9). C. A. Miller was vacationing in Europe and could not be reached. However, he did not contribute to the Fund at all in the years 1974 through 1977. (See Attachment 6, statement of Michael T. Moe, lines 19-22.) The third gentleman not contacted who was a member of the Council is the complainant, William Hancock.

24/ Attachment 16, Statement of M. A. Balke, p. 1, lines 14-20.
Attachment 17, Statement of R. G. Bouret, p. 1, lines 15-21.
Attachment 13, Statement of W. J. Farrell, p. 1, lines 13-22.
Attachment 18, Statement of J. Kinder, p. 1, lines 13-23.
Attachment 19, Statement of L. T. McKelvey, p. 1, lines 14-24.
Attachment 20, Statement of R. H. Jones, p. 1, lines 13-24.
Attachment 21, Statement of E. V. Lathrop, p. 1, lines 12-23.
Attachment 22, Statement of K. V. Hayes, p. 1, lines 15-26.
Attachment 23, Statement of F. J. Regan, p. 1, lines 15-26.
Attachment 24, Statement of A. F. Vial, p. 1, lines 14-24.
Attachment 25, Statement of K. E. Robin, p. 1, lines 14-25.
Attachment 26, Statement of R. C. Metcalf, p. 1, lines 16-23.
Attachment 27, Statement of K. H. Whalen, p. 1, lines 14-20.
Attachment 28, Statement of W. A. McCandless, p. 1, lines 12-21.

25/ Attachment 16, p. 1, line 25 through p. 2, line 3. Attachment 18, p. 2, lines 8-11. Attachment 26, p. 2, lines 2-6. Attachment 27, p. 1, line 25 through p. 2, line 2. Attachment 28, p. 1, line 25 through p. 2, line 3.

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26/ Attachment 16, p. 1, line 21 through p. 2, line 7. Attachment 17, p. 1, line 21 through p. 2, line 3. Attachment 13, p. 1, line 19 through p. 2, line 26. Attachment 18, p. 2, lines 4-17. Attachment 19, p. 1, line 17 through p. 2, line 8. Attachment 20, p. 1, line 16 through p. 2, line 2. Attachment 21, p. 1, line 15 through p. 2, line 2. Attachment 22, p. 1, line 18 through p. 2, line 4. Attachment 23, p. 1, line 18 through p. 2, line 4. Attachment 24, p. 1, line 17 through p. 2, line 2. Attachment 25, p. 1, line 17 through p. 2, line 3. Attachment 26, p. 1, line 19 through p. 2, line 10. Attachment 27, p. 1, line 17 through page 2, line 18. Attachment 28, p. 1, line 14 through page 2, line 7.

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SEC[redacted]TIES AND EXCHANGE COM[redacted]ION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1979

Commission file number 1-2348

PACIFIC GAS AND ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of incorporation or organization)

94-0742640
(IRS Employer Identification No.)

77 Beale Street, San Francisco, California
(Address of principal executive offices)

94106
(Zip Code)

(415) 781-4211
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Capital Stock:	
Common, par value $10 per share	New York Stock Exchange and Pacific Stock Exchange
First Preferred, cumulative, par value $25 per share:	
Redeemable:	American Stock Exchange and Pacific Stock Exchange
10.46%	"
10.28%	"
10.18%	"
9.48%	"
9.30%	"
9.28%	"
9 %	"
8.20%	"
8.16%	"
8 %	"
7.84%	"
5 %	"
5 % Series A	"
4.80%	"
4.50%	"
4.36%	"
Non-Redeemable:	
6 %	"
5.50%	"
5 %	"

First and Refunding Mortgage Bonds: New York Stock Exchange

Series	Interest Rate %	Date of Maturity	Series	Interest Rate %	Date of Maturity	Series	Interest Rate %	Date of Maturity
P	2¾	Jun. 1, 1981	DD	4½	Jun. 1, 1990	YY	7½	Jun. 1, 2004
Q	2⅞	Dec. 1, 1980	EE	5	Jun. 1, 1991	ZZ	7¾	Jun. 1, 2005
R	3⅛	Jun. 1, 1982	FF	4⅝	Jun. 1, 1992	73A	7¾	Dec. 1, 2005
S	3	Jun. 1, 1983	GG	4½	Jun. 1, 1993	74A	9⅛	Jun. 1, 2006
U	3⅜	Dec. 1, 1985	HH	4⅜	Jun. 1, 1994	74B	9.85	Jun. 1, 1982
W	3⅛	Dec. 1, 1984	II	4¼	Jun. 1, 1995	74C	9⅝	Dec. 1, 2006
X	3⅛	Jun. 1, 1984	JJ	4½	Jun. 1, 1996	75A	9½	Jun. 1, 1985
Y	3⅜	Dec. 1, 1987	KK	4½	Dec. 1, 1996	76A	8¼	Sept. 1, 2008
Z	3⅜	Dec. 1, 1988	VV	8⅞	Dec 1, 2002	77A	8½	Feb. 1, 2009
AA	4½	Dec. 1, 1986	WW	8	Jun. 1, 2003	78A	9⅜	Feb. 1, 2011
BB	5	Jun. 1, 1989	XX	7½	Dec. 1, 2003	79A	10⅛	Aug. 1, 2012
						80A	12¾	Feb. 1, 2013

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes — √ — No —

The total number of shares outstanding at December 31, 1979 of the Company's Common Stock was 113,627,542.

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Russ H. Cunningham, being duly sworn, deposes and says:

1. Since 1958, I have been employed by Pacific Gas and Electric Company ("PGandE"). I currently serve as Manager of Personnel Relations.

2. Pacific Gas and Electric Company, and its subsidiaries, currently employs over 26,000 persons. Of these, over 6,000 are exempted from the Fair Labor Standards Act.

RUSS H. CUNNINGHAM

Subscribed and sworn to before me on July 9, 1980 in San Francisco, California.

Katherine E Reed
NOTARY PUBLIC

My Commission expires March 16, 1981

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

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Office of the Secretary of State
Edmund G. Brown Jr.

Campaign Disclosure Program
P. O. Box 1467
Sacramento, California 95807

(916) 445-0820

NOTED
SEP 9 1974
F. A. PETER

September 6, 1974

Mr. F. A. Peter, Treasurer
Good Government Fund
4 East Altarinda Drive
Orinda, CA 94563

Dear Mr. Peter:

The identification number which has been assigned to your committee is 744249.

It is imperative that ALL correspondence or subsequent statements filed with this office in the future include this identification number. Your committee should also advise candidates, and other committees to which you make contributions, expenditures, pledges, loans, etc., of the identification number.

If you have any questions, please call Nan Hambleton at 916/445-0820.

Sincerely,

Phillip J. Mendes
Chief, Elections Division

PJM:bb

Office of the Secretary of State
Edmund G. Brown Jr.

Campaign Disclosure Program
P. O. Box 1467
Sacramento, California 95807

(916) 445-0820

NOTED
SEP 9 1974
F. A. PETER

September 6, 1974

Mr. F. A. Peter, Treasurer
Good Government Fund
4 East Altarinda Drive
Orinda, CA 94563

Dear Mr. Peter:

The identification number which has been assigned to your committee is 744249.

It is imperative that ALL correspondence or subsequent statements filed with this office in the future include this identification number. Your committee should also advise candidates, and other committees to which you make contributions, expenditures, pledges, loans, etc., of the identification number.

If you have any questions, please call Nan Hambleton at 916/445-0820.

Sincerely,

Phillip J. Mendes
Chief, Elections Division

PJM:bb

FORM 703-SO

ID. Number

To Be Completed By Secretary of State

STATEMENT OF ORGANIZATION

(Elections Code Sections 11531–11533)

This statement must be filed by a committee within 20 days after its organization or within 20 days after it receives or anticipates receiving contributions aggregating $500 or more in a calendar year. Committees which were in existence on January 1, 1974 must file no later than March 1, 1974.

1. Name of Committee: Good Government Fund

Address: 77 Beale Street, Room 891, San Francisco, California 94106

Telephone Number: 415-781-4211, extension 2475

2. List the name, address and telephone number of the treasurer and other principal officers of the committee:

POSITION	NAME	ADDRESS	TELEPHONE NO.
Treasurer	F. A. Peter	4 East Altarinda Drive, Orinda, California 94563	415-254-2326
Member, Managing Committee	J. Y. De Young	142 Corte del Prado, Walnut Creek, California 94598	415-935-1884
Member, Managing Committee	E. B. Langley, Jr.	137 Derby Lane, Moraga, California 94556	415-376-7202

(Attach additional information on appropriately labeled continuation sheets.)

NOTE: Whenever there is a change in any of the information contained in (1) or (2) above, an amendment must be filed with the Secretary of State within 10 days to reflect the change.

3. List the name, address and telephone number of each association, committee, business and other organizations with which the committee is affiliated:

NAME OF AFFILIATED ORGANIZATION	ADDRESS	TELEPHONE NO.
Pacific Gas and Electric Company	77 Beale Street, San Francisco, CA 94106	415-781-4211
Pacific Gas Transmission Company	77 Beale Street, San Francisco, CA 94106	415-781-0474
Standard Pacific Gas Line Incorporated	77 Beale Street, San Francisco, CA 94106	415-781-4211

(Attach additional information on appropriately labeled continuation sheets.)

4. If the committee supports a single candidate, identify the candidate:

Name _____ Office Sought _____ District No. _____

Counties within district _____

(If you support more than one candidate, you need not complete this section.)

5. If the committee supports or opposes a single measure, identify the measure:

Title _____ Ballot No. _____ Support ☐ Oppose ☐

Name of county, city or district in which measure is being voted _____ State Measure ☐

(If you support more than one ballot measure, you need not complete this section.)

6. Date: September 3, 1974

F. A. Peter
Signature of Treasurer

MAIL COMPLETED REPORT AND ATTACHMENTS TO:

Secretary of State
Post Office Box 1467
Sacramento, California 95807

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Ellis B. Langley, Jr., being duly sworn, deposes and says:

1. Since October of 1945, I have been employed by Pacific Gas and Electric Company. I currently serve as Senior Vice President-Operations. I also serve as chairman of the Managing Committee of the Pacific Gas and Electric Company Employees' Good Government Fund. ("Fund").

2. The Fund was formed in September 1974 and was initially designed to support only state and local candidates. In 1975, the Fund expanded its scope and began to support candidates for federal office. I have been one of the three members of the Fund Managing Committee since the initiation of the Fund. John H. Black was never a member of the Managing Committee.

3. The policy concerning the Fund has always been based upon wholly voluntary participation. As evidenced in written solicitations, participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities or any other aspect of employment. (See, for example, solicitation statement dated March 21, 1975; August 1, 1976, solicitation statement attached to April 12, 1978 letter from the Fund; November 1, 1979 solicitation statement attached to the November 15, 1979 letter from the Fund - Exhibits A, B, and C, respectively.) It is and has been the Company's and the Fund's policy to provide a copy of the most

recent version of the written solicitation to eligible employees.

4. In 1975, the members of the Managing Committee took part in informational meetings in which the Fund was explained to departments. The department people and division managers I met with were told to instruct eligible employees that the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has been made clear that such tactics have no place in discussions of the Fund.

5. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present or former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had previously been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

Ellis B. Langley Jr.

ELLIS B. LANGLEY, JR.

Subscribed and sworn to before me on July 3rd, 1980, in San Francisco, California.

Irene A. Gagne

OFFICIAL SEAL
IRENE A. GAGNE
NOTARY PUBLIC - CALIFORNIA
SANTA CLARA COUNTY
My comm. expires DEC 5, 1980

EXHIBIT A

0004012378 5

TNT

FROM THE DESK OF
JOE KELLY

March 21, 1975

DIVISION MANAGERS:

Attached please find a copy of the new "Good Government Fund" summary together with an application form for payroll deduction. This package should be reproduced as needed and made available to any employee inquiring about the program.

JKelly

cc: E. B. Langley, Jr.

0004023786

THE GOOD GOVERNMENT FUND

The GOOD GOVERNMENT FUND was formed in September 1974 as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California state income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Comptroller (who serves as Chairman and Treasurer), Vice President-Division Operations, and Vice President-Commercial Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and (commencing in 1975) federal office; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and their committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns at the discretion of the Managing Committee.

(2) Employees who prefer to designate the candidate to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign on behalf of the employees.

Employees who wish to make their donations directly to campaigns without using the FUND can join PGandE's INVEST IN DEMOCRACY program. Participants in IID receive free special checking accounts into which they can deposit personal funds or, if they prefer, have a small amount deposited automatically each month through payroll deduction. They can then use their special INVEST IN DEMOCRACY checks to make contributions from the funds they have accumulated to any political campaign or committee. If the employee wishes, IID checks can also be used to make contributions to the GOOD GOVERNMENT FUND or to individual candidates' campaigns and given to the FUND for it to transmit as intermediary.

For further information on INVEST IN DEMOCRACY, employees should contact the Governmental and Public Affairs Department, Ext. 2754.

Participation in either the GOOD GOVERNMENT FUND or INVEST IN DEMOCRACY, or both, is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. However, for convenience in handling, if you are writing a check (rather than using payroll deduction) or asking the FUND to serve as intermediary for a check to a specific candidate's campaign, the minimum amount should be $10.00. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

The FUND has no legal obligation to disclose in its public filings any information when it serves as an intermediary for an employee who writes a check made payable directly to a candidate's campaign. However, in the spirit of disclosure, the FUND has adopted the policy of listing each candidate's campaign to which it transmitted contributions as an intermediary, together with the total amount contributed to the campaign. The FUND does not list the names of the individual contributors for whom it served as intermediary, but the recipient candidate's campaign probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100% of the contributions it receives from employees to support the campaigns of announced candidates, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1975 federal taxes (payable in 1976), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1975 California state income taxes (payable in 1976) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return), but there is no tax credit permitted.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through either their personal checking accounts or the INVEST IN DEMOCRACY program. Such contributions to ballot measure campaigns, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a particular political party, and in certain cases non-partisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1974, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be

supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2470). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

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3-20-75

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new ___ revised____ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division _____

EXHIBIT B

0004023792

PACIFIC GAS AND ELECTRIC COMPANY

PG&E 77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

April 12, 1978

Dear Fellow Employee:

1978 will be a critical year for all Californians.

This year, not only will we elect our Governor and the other statewide Constitutional officers, but also all eighty State Assemblymen, half of the State Senators, and the entire California delegation to the U. S. House of Representatives. The men and women elected this year will help to shape the course of state and national policy for many years to come, and it is vital that we, as citizens and as PGandE employees, personally support the best qualified candidates.

Often, however, a candidate worthy of support may be seeking office some place other than where we live, possibly outside of the Company's service territory. Similarly, a candidate may deserve or need more support than any one employee might be able to give.

For these reasons, several years ago PGandE formed the Good Government Fund, a voluntary employee political action committee through which participating employees can identify and support candidates for federal, state, and local office on a coordinated basis, pooling their donations through one committee. Through the Fund, candidates who have a balanced and effective approach to issues affecting the private enterprise system can be supported with contributions representing the combined donations of employees.

As an eligible "exempt" (monthly) employee, you are qualified to participate in the Good Government Fund. If you do not currently support the program, you may wish to do so in this important election year. If you are already a member, you may wish to increase your participation so that the Fund is able to support as many worthy candidates as possible.

Enclosed is a prospectus on the Fund containing full information about how you can participate and including a payroll deduction application. A copy of the Fund's 1977 "Transaction Report" in which all contributions to candidates are itemized is available in each Division Manager's office or from the office of F. A. Peter (Room 893, 77 Beale Street, San Francisco, Ext. 2476). Participation is, of course, entirely voluntary.

J. Y. DeYoung Chairman Good Government Fund	E. B. Langley, Jr. Assistant Treasurer Good Government Fund	F. A. Peter Treasurer Good Government Fund

Enclosures

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THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September, 1974, as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates and official committees of political parties on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Customer Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and federal office and official committees of political parties; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates and committees should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made <u>payable to the "Good Government Fund"</u> (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns and official committees of political parties at the discretion of the Managing Committee.

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* A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D. C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P. O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106. All contributions to the Good Government Fund are subject to the limitations specified under Federal law.

3-1-78

(2) Employees who wish to designate the candidate or committee to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give the FUND their checks made payable to the candidate's campaign or committee they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign or committee on behalf of the employees.

Participation in the GOOD GOVERNMENT FUND is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

WHO MAY PARTICIPATE IN THE GOOD GOVERNMENT FUND?

Any employee who is a PGandE shareholder, or whose spouse is a PGandE shareholder, may participate in the FUND (members of the Company's Savings Fund Plan are Company shareholders). Under federal law, however, an employee who is not a shareholder and whose spouse is not a shareholder may not participate in the FUND if he or she is (a) a "non-exempt" employee (that is, subject to the Fair Labor Standards Act), (b) an "exempt" employee who is a member of labor organization, or (c) a foreman who directly supervises "non-exempt" employees. Employees other than these may participate in the Fund whether or not they are shareholders.

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1977, a total of 809 employees participated in the FUND; 771 contributed directly to it, and 78 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates and committees. Of the 771 who gave directly to the FUND, the average annual donation was approximately $25.00.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates and committees. As a general rule, if you contribute to the FUND

an aggregate total of $50 or more in an eighteen month period, it may be necessary for the FUND to itemize the following information in these filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

Under Federal law, if you utilize the FUND as an intermediary for contributions made payable directly to individual candidates or committees, it will be necessary for the FUND to itemize your name, street address, and the identity of the candidate or committee to whom you contributed, regardless of the amount of the contribution. If the contribution is over $100, it will also be necessary to itemize your occupation and employer (PGandE, PGT, StanPac, or PSEA). This information will also be disclosed in the recipient campaign committee's disclosure statement.

Under California state law, the FUND has no obligation to disclose in its public filings any information when it serves as an intermediary. However, in the spirit of disclosure, the FUND has adopted the policy of listing each state and local candidate or committee to which it transmitted contributions as an intermediary, together with the total amount transmitted. In these state filings, the FUND does not list the names of the individual contributors for whom it served as intermediary but the recipient candidate or committee probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates and official committees of political parties, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1978 federal taxes (payable in 1979), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1978 California state income taxes (payable in 1979), you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return, provided that each party to the joint return contributes at least $100), but there is no tax credit.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through their personal checking accounts. Contributions to official ballot measure campaign committees, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a candidate's political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1977, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates and committees to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department
Room 640
77 Beale Street

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new _____ revised _____ authorization (check one).

I have received and read a copy of the "Good Government Fund" descriptive material dated March 1, 1978.

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

Job Classification _____

I am_____ am not_____ a PGandE shareholder (members of the Savings Fund Plan are PGandE shareholders).

I am_____ am not_____ a United States citizen or admitted for permanent residency in the United States.

3-1-78

EXHIBIT C

0004022379 9

PACIFIC GAS AND ELECTRIC COMPANY

PG·E 77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

November 15, 1979

Dear Fellow Employee:

1980 will be a critical year for all Americans. Across the state and nation, we will be electing men and women who will help shape the course of local, state, and national policy for many years to come. It is vital that we, as citizens and as PGandE employees, personally support the best qualified candidates.

Often, however, a candidate worthy of support in a close race with a real chance to win may be seeking office some place other than where we live, possibly even outside of the Company's service territory. Many times that extra contribution can make the difference.

For these reasons, several years ago PGandE formed the Good Government Fund, a voluntary employee political action committee through which participating employees can support local, state, and federal candidates who have demonstrated a balanced and effective approach to government energy policy and other issues affecting the private enterprise system.

As an eligible "exempt" (monthly) employee, you are qualified to participate in the Good Government Fund. If you do not currently support the program, you may now wish to do so as we approach this important election year. If you are already a member, you may wish to increase your participation so that the Fund is able to support as many worthy candidates as possible.

Enclosed are a prospectus on the Fund outlining how you can participate, a payroll deduction application, and a form for your use in recommending candidates worthy of the Fund's support. A copy of the Fund's current "transaction report" itemizing all contributions to candidates is available for your inspection in each Division Manager's office or from the office of F. A. Peter (Room 893, 77 Beale Street, San Francisco, Extension 2476).

Your serious consideration of this important program is appreciated.

Sincerely,

E. B. Langley Jr.
E. B. LANGLEY, JR.
Chairman
Good Government Fund

J. Y. DE YOUNG
Assistant Treasurer
Good Government Fund

F. A. Peter
F. A. PETER
Treasurer
Good Government Fund

Enclosures

THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September, 1974, as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates and official committees of political parties on a coordinated basis, pooling their donations through one committee. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Senior Vice President - Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President - Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and federal office and official committees of political parties; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates and committees should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the

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*A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P.O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106. All contributions to the Good Government Fund are subject to the limitations specified under Federal law.

11-1-79

attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates and official committees of political parties at the discretion of the Managing Committee.

(2) Employees who wish to designate the candidate or committee to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give the FUND their checks made payable to the candidate's campaign or committee they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign or committee on behalf of the employee.

Participation in the GOOD GOVERNMENT FUND is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

WHO MAY PARTICIPATE IN THE GOOD GOVERNMENT FUND?

Any employee who is a PGandE shareholder, or whose spouse is a PGandE shareholder, may participate in the FUND (members of the Company's Saving Fund Plan are Company shareholders). Under federal law, however, an employee who is not a shareholder and whose spouse is not a shareholder may not participate in the FUND if he or she is (a) a "non-exempt" employee (that is, subject to the Fair Labor Standards Act), (b) an "exempt" employee who is a member of a labor organization, or (c) a foreman or other lower level supervisor who directly supervises "non-exempt" employees. Employees other than these may participate in the Fund whether or not they are shareholders.

11-1-79

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1978, a total of 911 employees participated in the FUND; 858 contributed directly to it, and 58 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates and committees. Of the 858 who gave directly to the FUND, the average annual donation was approximately $28.00.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates and committees. As a general rule, if you contribute to the FUND an aggregate total of $100 or more in an eighteen month period, it may be necessary for the FUND to itemize the following information in its filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $100, the FUND will list your name along with those of all other employees who have contributed less than $100, but will not provide any further information of the kind required for contributors of $100 or more.

Under Federal law, if you utilize the FUND as an intermediary for contributions made payable directly to individual candidates or committees, it will be necessary for the FUND to itemize your name, street address, and the identity of the candidate or committee to whom you contributed, regardless of the amount of the contribution. If the contribution is over $100, it will also be necessary to itemize your occupation and employer (PGandE, PGT, StanPac, or PSEA). This information will also be disclosed in the recipient campaign committee's disclosure statement.

Under California state law, the FUND has no obligation to disclose in its public filings any information when it serves as an intermediary. However, in the spirit of disclosure, the FUND has adopted the policy of listing each state and local candidate or committee to which it transmitted contributions as an intermediary, together with the total amount transmitted. In these state filings, the FUND does not list the names of the individual contributors for whom it served as intermediary but the recipient candidate or committee probably will disclose such information.

11-1-79

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE OR ELIGIBLE FOR TAX CREDIT?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates and official committees of political parties, contributions to the FUND are eligible for Federal income tax credit.

Under present law, for your 1979 federal taxes (payable in 1980), you will be allowed to take a tax credit for half of your contributions up to a maximum credit of $50 (representing contributions up to $100), or a maximum credit of $100 on a joint return (representing contributions up to $200).

On California state income taxes you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return, provided that each party to the joint return contributes at least $100), but there is no tax credit.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax credit, it must not donate to ballot measure campaigns. While the fund does not make such contributions, employees who wish to donate to ballot measures are encouraged to do so. Contributions to official ballot measure campaign committees, while not eligible for Federal income tax credit, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

11-1-79

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose views indicate they have a balanced and effective approach to government energy policy and other issues affecting the private enterprise system. No preference is given to a candidate's political party, and nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1978, the average FUND donation to candidates was less than $200).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are encouraged. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476) for a suggestion form. Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates and committees to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department
Room 640
77 Beale Street

Pursuant to the provisions of the "Good Government Fund" Voluntary political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new _____ revised _____ authorization (check one).

I have received and read a copy of the "Good Government Fund" descriptive material dated November 1, 1979.

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

Job Classification _____

I am _____ am not _____ a PGandE shareholder (members of the Savings Fund Plan are PGandE shareholders).

I am _____ am not _____ a United States citizen or admitted for permanent residency in the United States.

11-1-79

CANDIDATE CONTRIBUTION RECOMMENDATION

TO: F. A. PETER, Treasurer
GOOD GOVERNMENT FUND (Rm. 891, 77 Beale St., San Francisco)

I suggest that the Good Government Fund consider making a contribution of $_____ to:

Candidate:_____

Candidate's Party Affiliation_____

Office Sought_____

_____

Date of Election_____

Is this for a special event? If so, date_____

Committee Name (Check made payable to):

_____

_____

Committee Address:_____

_____

_____

_____

Committee Identification Number:_____

Name and Address of Committee Treasurer
(if I.D. number unavailable):

_____

_____

_____

* * * * * * * * * * * * * * * *

Check and letter to be forwarded to:

_____

_____

_____

Date of Request_____
Name:_____
Division/Dept._____
Telephone Number_____

11/1/79

800402 7807

PAT

GOOD GOVERNMENT FUND
77 BEALE STREET, ROOM 891
SAN FRANCISCO, CALIFORNIA 94106

May 13, 1975

Office of Federal Elections
U. S. General Accounting Office
441 G Street, N.W.
Washington, D.C. 20548

Gentlemen:

Enclosed please find a "Registration Form and Statement of Organization for Political Committees" for the "Good Government Fund." It is our understanding that until such time as the Federal Election Commission has been formally organized, it is appropriate for this filing to be made with your office. If this is not the case, please advise us at your earliest convenience so that we may re-file immediately.

The "Good Government Fund" is a "separate, segregated fund" organized in accordance with the terms of Sections 610 and 611 of Title 18 of the U. S. Code for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. With the enactment of PL 93-443 and pursuant to a resolution adopted by the Fund's Managing Committee on May 6, 1975, the Fund intends to support selected candidates for federal office, as well as continuing to contribute to candidates in California state and local elections.

In addition to advising us in the event our "Registration Form" should be filed with an office other than yours, we would also appreciate your informing us at your earliest convenience as to the proper filing forms, dates, and procedures for disclosure of contributions and expenditures. It is our understanding that the next such filing will be on July 10 and must be current from the beginning of 1975 through June 30.

Very truly yours,

F. A. Peter, Treasurer
Good Government Fund

FAP/dg

COMPTROLLER GENERAL OF THE UNITED STATES

U.S. GENERAL ACCOUNTING OFFICE

Washington, D.C.

REGISTRATION FORM AND STATEMENT OF ORGANIZATION FOR A COMMITTEE

SUPPORTING ANY CANDIDATE(S) FOR THE OFFICE OF PRESIDENT OR VICE PRESIDENT OF THE UNITED STATES AND ANTICIPATING CONTRIBUTIONS OR EXPENDITURES IN EXCESS OF $1,000 IN ANY CALENDAR YEAR

REQUIREMENTS FOR REGISTRATION OF POLITICAL COMMITTEES

(In accordance with the provisions of the Federal Election Campaign Act of 1971, P.L. 92-225)

SEE APPROPRIATE SUPERVISORY OFFICER'S MANUAL FOR ADDITIONAL REGULATIONS AND INSTRUCTIONS

A. The treasurer of each political committee which anticipates receiving contributions or making expenditures during the calendar year in an aggregate amount exceeding $1,000 any portion of which will be expended for the purpose of influencing the nomination or election of candidates for the office of President or Vice President shall file with the Comptroller General of the United States a Registration Form and Statement of Organization, within 10 days after its organization, or, if later, 10 days after the date on which it has information which causes the committee to anticipate it will receive contributions or make expenditures in excess of $1,000 any portion of which will be expended for the purpose of influencing the nomination or election of candidates for the office of President or Vice President. Each such committee in existence on April 7, 1972 shall file a Registration Form and Statement of Organization with the Comptroller General on or before April 17, 1972. Note: If the committee also supports a candidate for the U.S. Senate, a similar statement must be filed with the Secretary of the Senate, and if the committee supports a candidate for the U.S. House of Representatives a similar statement must be filed with the Clerk of the House of Representatives.

B. A copy of this statement shall be filed with the Secretary of State (or, if there is no Office of Secretary of State, the equivalent State officer) of the appropriate State.

C. A copy of this statement shall be preserved by the treasurer of the political committee for a period of not less than four (4) years.

D. Any change or correction of information previously submitted in a Registration Form and Statement of Organization shall be reported to the Comptroller General within ten (10) days following the change or correction. Such amendments to the statement shall contain the date, identity of the committee, the changed or corrected information appropriately identified, and shall be verified by the oath or affirmation of the person filing such information, taken before any officer authorized to administer the oaths.

E. Any committee which, after having filed one or more Registration Form and Statement of Organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year in an aggregate amount exceeding $1,000 shall so notify the Comptroller General. Such notification shall be verified by the oath or affirmation of the person filing it, taken before any officer authorized to administer the oaths, and such notification shall include a statement as to the disposition of residual funds if the committee is disbanding.

1. Full name of committee: THE GOOD GOVERNMENT FUND

Mailing address and ZIP code: 77 Beale Street, San Francisco, CA 94106

Date of this registration: _____

2. Affiliated or connected organizations:

Name of affiliated or connected organization	Mailing address and ZIP code	Relationship
cific Gas and Electric Company	77 Beale,SF,CA 94106	Co-sponsoring Company
cific Service Employees Assn.	245 Market,SF,CA 94106	Co-sponsoring Organizat
cific Gas Transmission Company	245 Market,SF,CA 94106	Co-sponsoring Company
andard Pacific Gas Lines, Inc.	77 Beale,SF,CA 94106	Co-sponsoring Company
*		

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

3. Area, Scope and Jurisdiction of the Committee:

(a) Will this committee operate in more than one State? no

(b) Will it operate on a statewide basis in one State? yes

(c) Will it primarily support candidates seeking State or local office? yes

(d) Will it support a candidate for the office of President or Vice President in an aggregate amount in excess of $1,000 during the calendar year? possibly

THE GOOD GOVERNMENT FUND
(Full Name of Committee)

4. (a) If the committee is supporting individual candidates for the office of President or Vice President, list each candidate by name, address, office sought, and party affiliation:

Full names of candidates	Mailing address and ZIP code	State and Congressional District	Party
The "Good Government Fund" is an on-going "separate, segregated fund" (Chapter 18, U.S.C. Sec. 610) organized by the above-named organization and companies. It supports various candidates for federal, state, and local office as determined from time to time by its Managing Committee.			

(b) List by name, address, office sought, and party affiliation, any candidate for other Federal office that this committee is supporting:

Full names of candidates	Mailing address and ZIP code	Office sought	Party
The "Good Government Fund" is an on-going "separate, segregated fund" (Chapter 18, U.S.C. Sec. 610) organized by the above-named organization and companies. It supports various candidates for federal, state, and local office as determined from time to time by its Managing Committee.			

(c) List by name, address, office sought, and party affiliation, any candidate for any other public office that this committee is supporting:

Full names of candidates	Mailing address and ZIP code	Office sought	Party
The "Good Government Fund" is an on-going "separate, segregated fund" (Chapter 18, U.S.C. Sec. 610) organized by the above-named organization and companies. It supports various candidates for federal, state and local office as determined from time to time by its Managing Committee.			

5. If this committee is supporting the entire ticket of a party, give name of party: not applicable

6. Identify by name, address and position, the committee's custodian of books and accounts:

Full name	Mailing address and ZIP code	Committee title or position
Frank A. Peter	77 Beale,SF,CA 94106	Treasurer

7. List by name, address and position, other principal officers of the committee, including officers and members of the finance committee, if any:

Full name	Mailing address and ZIP code	Committee title or position
J. Y. DeYoung	77 Beale,SF,CA 94106	Chairman
F. A. Peter	77 Beale,SF,CA 94106	Treasurer
E. B. Langley, Jr.	77 Beale,SF,CA 94106	

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

8. Does this committee plan to [illegible] in existence beyond the current ca[illegible] year? ...yes..... If so how long? ...indefinitely

9. In the event of dissolution, what disposition will be made of residual funds? Surplus funds would be returned to contributors.

10. List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:

Name of bank, repository, etc.	Mailing address and ZIP code
Wells Fargo Bank Market-Main Office Acct. #0023-024862	201 Market Street San Francisco California 94106

11. List all reports required to be filed by this committee with States and local jurisdictions, together with the names, addresses, and positions of the recipients of the reports:

Report title	Dates required to be filed	Name and position of recipient	Mailing address and ZIP code
See Attachment A.			

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

State of California
County of San Francisco } ss.

I, F. A. Peter (Full Name of Treasurer of Political Committee), being duly sworn, depose (affirm) and say that the information in this Registration Form and Statement of Organization is complete, true, and correct.

F. A. Peter
(Signature of Treasurer of Political Committee)

Subscribed and sworn to (affirmed) before me this 13th day of May, A.D. 19 75.

KATHERINE E. REED
NOTARY PUBLIC – CALIFORNIA
CITY & COUNTY OF SAN FRANCISCO
My Commission Expires March 14, 1977

[SEAL]

Katherine E. Reed
(Notary Public)

My commission expires March 14, 1977

Return completed form and attachments to:
Office of Federal Elections
U.S. General Accounting Office
441 G Street, NW.
Washington, D.C. 20548

ATTACHMENT A

List all reports (other than reports required by this Act) required to be filed by this committee with states and local jurisdictions, and the names, addresses, and positions of the recipients of the reports:

Report Title	Dates Required to be filed	Name and Position of Recipient	Mailing Address and ZIP Code
Statement of Organization (Form 410)	Upon organization	Mrs. March Fong Eu California Secretary of State	P. O. Box 1467 Sacramento, CA 95814
Committee Campaign Statement (Form 420)	July 31 January 31 of each year	Mrs. March Fong Eu California Secretary of State	P. O. Box 1467 Sacramento, CA 95814
Committee Campaign Statement (Form 420)	40 and 12 days prior to, and 65 days after any election in which the Fund supports candidates	Mrs. March Fong Eu California Secretary of State Miscellaneous other California county and city clerks pursuant to California Government Code Section 81005	P. O. Box 1467 Sacramento, CA 95814

6 0 0 4 0 2 3 8 1 4

NOTICE OF RECEIPT

This is to acknowledge receipt of the document(s) listed below, filed pursuant to the provisions of the Federal Election Campaign Act of 1971 (P.L. 92-225).

050369 IS YOUR IDENTIFICATION NUMBER. PLEASE USE IT ON ALL CORRESPONDENCE AND REPORTS SUBMITTED TO THIS OFFICE.

TYPE OF DOCUMENT (as specified by submitting candidate or committee)	DATE RECEIVED
COMMITTEE REGISTRATION	05/16/75

Office of the Clerk
Office of Records and Registration
U.S. House of Representatives
Washington, D.C. 20515

Patricia Jennings
Clerk of the House of Representatives

cc JWD
EBL
JTK
TWH
TWM

GOOD GOVERNMENT FUND
MR. F.A. PETER, TREASURER
77 BEALE STREET
SAN FRANCISCO, CA
94106

JWH	VICE PRESIDENT & COMPTROLLER'S OFFICE	HWG
KST	FOLLOW-UP DATE	WKS
NDH	JUN 4 1975	REP
RWB		RWL
EMS	REPLY FOR MT / YOU REPLY / CIRCULATE AND RETURN	LDL
LMG	☐ REVIEW FOR ME ☐ PLEASE HANDLE ☐ COMMENTS	RAC
AWD	☐ SUBMIT RECOMMENDATION	FILE

6 0 0 4 0 2 2 3 8 1 5

GOOD GOVERNMENT FUND
77 BEALE STREET, ROOM 891
SAN FRANCISCO, CALIFORNIA 94106

May 13, 1975

Office of the Clerk of the
House of Representatives
Washington, D.C. 20515

Gentlemen:

Enclosed please find a "Registration Form and Statement of Organization for Political Committees" for the "Good Government Fund." It is our understanding that until such time as the Federal Election Commission has been formally organized, it is appropriate for this filing to be made with your office. If this is not the case, please advise us at your earliest convenience so that we may re-file immediately.

The "Good Government Fund" is a "separate, segregated fund" organized in accordance with the terms of Sections 610 and 611 of Title 18 of the U. S. Code for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. With the enactment of PL 93-443 and pursuant to a resolution adopted by the Fund's Managing Committee on May 6, 1975, the Fund intends to support selected candidates for federal office, as well as continuing to contribute to candidates in California state and local elections.

In addition to advising us in the event our "Registration Form" should be filed with an office other than yours, we would also appreciate your informing us at your earliest convenience as to the proper filing forms, dates, and procedures for disclosure of contributions and expenditures. It is our understanding that the next such filing will be on July 10 and must be current from the beginning of 1975 through June 30.

Very truly yours,

F. A. Peter, Treasurer
Good Government Fund

FAP/dg

UNITED STATES HOUSE OF REPRESENTATIVES

Office of the Clerk

Washington, D.C.

REGISTRATION FORM AND STATEMENT OF ORGANIZATION FOR A POLITICAL COMMITTEE

☒ New Registration

☐ Registration Amendment

I.D. #

SEE REVERSE SIDE FOR ADDITIONAL INSTRUCTIONS

ALL QUESTIONS MUST BE ANSWERED FOR NEW REGISTRATIONS

1. Full name of committee: THE GOOD GOVERNMENT FUND

Mailing address and ZIP code: 77 Beale Street, San Francisco, CA 94106

Telephone number: (415) 781-4211

2. Affiliated or connected organizations:

Name of affiliated or connected organization	Mailing address and ZIP code	Relationship
Pacific Gas and Electric Company	77 Beale,SF,CA 94106	Co-sponsoring Company
Pacific Service Employees Assn.	245 Market,SF,CA 94106	Co-sponsoring Organiza
Pacific Gas Transmission Company	245 Market,SF,CA 94106	Co-sponsoring Company
Standard Pacific Gas Lines, Inc.	77 Beale,SF,CA 94106	Co-sponsoring Company

3. Area, scope and jurisdiction of the committee:

(a) Will this committee operate in more than one State? no

(b) Will it operate on a statewide basis in one State? yes

(c) Will it primarily support candidates seeking State or local office? yes

(d) Will it support a candidate for the U.S. House of Representatives in an aggregate amount in excess of $1,000 during the calendar year? possibly

4. (a) If the committee is supporting individual candidates for the U.S. House of Representatives, list each candidate by name, address, office sought, and party affiliation:

Full names of candidates	Mailing address and ZIP code	State and Congressional District	Party*
The "Good Government Fund" is an on-going "separate, segregated fund" (Chapter 18, U.S.C. Sec. 610) organized by the above-named organization and companies. It supports various candidates for federal, state, and local office as determined from time to time by its Managing Committee.			

(b) List by name, address, office sought, and party affiliation, any candidate for other Federal or public office that this committee is supporting:

Full names of candidates	Mailing address and ZIP code	Office sought	Party
The "Good Government Fund" is an on-going "separate, segregated fund" (Chapter 18, U.S.C. Sec. 610) organized by the above-named organization and companies. It supports various candidates for federal, state, and local office as determined from time to time by its Managing Committee.			

5. If this committee is supporting the entire ticket of a party, give name of party: not applicable

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

Revised January 1974

H.R. ELECTION FORM 1

U.S. GOVERNMENT PRINTING OFFICE : 1974—O-26-770

6. Identify by name, address [illegible]sition, the committee's custodian of [illegible]ks and accounts:

Full name	Mailing address and ZIP code	Committee title or position
Frank A. Peter	77 Beale,SF,CA 94106	Treasurer Office telephone No. (415) 781-4211

7. List by name, address and position of other principal officers of the committee, including the chairman and treasurer if not identified in Question 6 above and members of the finance committee, if any:

Full name	Mailing address and ZIP code	Committee title or position
J. Y. DeYoung	77 Beale,SF,CA 94106	Chairman
F. A. Peter	77 Beale,SF,CA 94106	
E. B. Langley, Jr.	77 Beale,SF,CA 94106	

8. Does this committee plan to stay in existence beyond the current calendar year? yes If so how long? indefinitely

9. In the event of dissolution, what disposition will be made of residual funds? Surplus funds would be returned to contributors.

10. List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:

Name of bank, repository, etc.	Mailing address and ZIP code
Wells Fargo Bank Market-Main Office Acct. #0023-024862	201 Market Street San Francisco California 94106

11. List all reports required to be filed by this committee with States and local jurisdictions, other than reports required under this Act, the names, addresses, and positions of the recipients of the reports:

Report title	Dates required to be filed	Name and position of recipient	Mailing address and ZIP code
See Attachment A			

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

VERIFICATION BY OATH OR AFFIRMATION OF TREASURER

State of California

County of San Francisco ss.

I, F. A. Peter, being duly sworn, depose (affirm) and say that the information in this Registration Form and Statement of Organization is complete, true, and correct.

(Full Name of Treasurer of Political Committee)

(Signature of Treasurer of Political Committee)

Subscribed and sworn to (affirmed) before me this 13th day of May, A.D. 1975.

(Notary Public)

[SEAL]

KATHERINE E. REED
NOTARY PUBLIC – CALIFORNIA
CITY & COUNTY OF SAN FRANCISCO
My Commission Expires March 14, 1977

My commission expires March 14, 1977

ATTACHMENT A

List all reports (other than reports required by this Act) required to be filed by this committee with states and local jurisdictions, and the names, addresses, and positions of the recipients of the reports:

Report Title	Dates Required to be filed	Name and Position of Recipient	Mailing Address and ZIP Code
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Committee Campaign Statement (Form 420)	July 31 January 31 of each year	Mrs. March Fong Eu California Secretary of State	P. O. Box 1467 Sacramento, CA 95814
Committee Campaign Statement (Form 420)	40 and 12 days prior to, and 65 days after any election in which the Fund supports candidates	Mrs. March Fong Eu California Secretary of State Miscellaneous other California county and city clerks pursuant to California Government Code Section 81005	P. O. Box 1467 Sacramento, CA 95814

U.S. SENATE
Office of the Secretary
Public Records Office
Washington, D.C.

MAY 16 1975

(Date Stamp)

ACKNOWLEDGEMENT OF RECEIPT
Of The
REGISTRATION FORM AND STATEMENT OF ORGANIZATION
Filed pursuant to the Federal Election Campaign Act of 1971 by

Good Government Fund
77 Beale Street
San Francisco, California 94106

JWH	VICE PRESIDENT & COMPTROLLER'S OFFICE	HWG
KST	FOLLOW-UP DATE	WKS
NDH		REP
RWB	MAY 1 6 1975	RWL
EMS	REPLY FOR ME / YOU REPLY / CIRCULATE AND RETURN	LDL
LMG	☐ REVIEW FOR ME ☐ PLEASE HANDLE ☐ COMMENTS	MC
AWD	☐ SUBMIT RECOMMENDATION	FILE

IMPORTANT NOTICE

Your Committee has been assigned Identification Number ..... S 2028

In the future this number must be used in reporting to and corresponding with this office.

Francis R. Valeo,
Secretary of the Senate.

GPO 43-280-1

0 0 0 4 0 0 2 3 8 2 0

8 0 0 4 0 0 2 3 8 2 1

Vicki

GOOD GOVERNMENT FUND
77 BEALE STREET, ROOM 891
SAN FRANCISCO, CALIFORNIA 94106

May 13, 1975

Office of the Secretary of the Senate
U. S. Capitol
Washington, D.C. 20510

Gentlemen:

Enclosed please find a "Registration Form and Statement of Organization for Political Committees" for the "Good Government Fund." It is our understanding that until such time as the Federal Election Commission has been formally organized, it is appropriate for this filing to be made with your office. If this is not the case, please advise us at your earliest convenience so that we may re-file immediately.

The "Good Government Fund" is a "separate, segregated fund" organized in accordance with the terms of Sections 610 and 611 of Title 18 of the U. S. Code for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. With the enactment of PL 93-443 and pursuant to a resolution adopted by the Fund's Managing Committee on May 6, 1975, the Fund intends to support selected candidates for federal office, as well as continuing to contribute to candidates in California state and local elections.

In addition to advising us in the event our "Registration Form" should be filed with an office other than yours, we would also appreciate your informing us at your earliest convenience as to the proper filing forms, dates, and procedures for disclosure of contributions and expenditures. It is our understanding that the next such filing will be on July 10 and must be current from the beginning of 1975 through June 30.

Very truly yours,

F. A. Peter, Treasurer
Good Government Fund

FAP/dg

0 0 0 0 1 2 3 8 2 2

UNITED STATES SENATE

Office of the Secretary of the Senate
Washington, D.C. 20510

REGISTRATION FORM AND STATEMENT OF ORGANIZATION FOR POLITICAL COMMITTEES

SUPPORTING CANDIDATES FOR U.S. SENATE AND ANTICIPATING CONTRIBUTIONS OR EXPENDITURES IN EXCESS OF $1,000 IN ANY CALENDAR YEAR

SEE REVERSE SIDE FOR ADDITIONAL INSTRUCTIONS
ALL QUESTIONS MUST BE ANSWERED FOR NEW REGISTRATIONS

1. Full name of committee: THE GOOD GOVERNMENT FUND
Address: 77 Beale Street, San Francisco, CA 94106
Telephone number: (415) 781-4211

[XX] New Registration [ ] Registration Amendment

Identification Number Assigned by Secretary: S

2. Affiliated or connected organizations:

Name of affiliated or connected organization	Mailing address and ZIP code	Relationship
Pacific Gas and Electric Company	77 Beale,SF,CA 94106	Co-sponsoring Company
Pacific Service Employees Assn.	245 Market,SF,CA 94106	Co-sponsoring Organiza
Pacific Gas Transmission Company	245 Market,SF,CA 94106	Co-sponsoring Company
Standard Pacific Gas Lines, Inc.	77 Beale,SF,CA 94106	Co-sponsoring Company

3. Area, Scope and Jurisdiction of the Committee:
(a) Will this committee operate in more than one State? no
(b) Will it operate on a statewide basis in one State? yes
(c) Will it primarily support candidates seeking State or local office? yes
(d) Will it support a candidate for the U.S. Senate in an aggregate amount in excess of $1,000 during the calendar year? possibly

4. (a) If the committee is supporting individual candidates for the U.S. Senate, list each candidate by name, address, office sought, and party affiliation:

Full names of candidates	Mailing address and ZIP code	State	Party
The "Good Government Fund" is an on-going "separate, segregated fund" (Chapter 18, U.S.C. Sec. 610) organized by the above-named organization and companies. It supports various candidates for federal, state, and local office as determined from time to time by its Managing Committee.			

(b) List by name, address, office sought, and party affiliation, any candidate for other Federal office, or for any other office, that this committee is supporting:

Full names of candidates	Mailing address and ZIP code	Office sought	Party
The "Good Government Fund" is an on-going "separate, segregated fund" (Chapter 18, U.S.C. Sec. 610) organized by the above-named organization and companies. It supports various candidates for federal, state, and local office as determined from time to time by its Managing Committee.			

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

5. If this committee is suppo the entire ticket of a party, give nam party: _____

6. Identify by name, address and position, the committee's custodian of books and accounts:

Full name	Mailing address and ZIP code	Committee title or position
Frank A. Peter	77 Beale,SF,CA 94106	Treasurer Office telephone No. (415)781-421

7. List by name, address and position, other principal officers of the committee, including the chairman and treasurer if not identified in Question 6 above and members of the finance committee, if any:

Full name	Mailing address and ZIP code	Committee title or position
J. Y. DeYoung	77 Beale,SF,CA 94106	Chairman
F. A. Peter	77 Beale,SF,CA 94106	
E. B. Langley, Jr.	77 Beale,SF,CA 94106	

8. Does this committee plan to stay in existence beyond the current calendar year? yes If so, how long? indefinitely

9. In the event of dissolution, what disposition will be made of residual funds? Surplus funds would be returned to contributors.

10. List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of bank, repository, etc.	Mailing address and ZIP code
Wells Fargo Bank Market Main Office Acct. #0023-024862	201 Market Street San Francisco California 94106

11. List all reports (other than reports required by this Act) required to be filed by this committee with States and local jurisdictions, and the names, addresses, and positions of the recipients of the reports:

Report title	Dates required to be filed	Name and position of recipient	Mailing address and ZIP code
See Attachment A.			

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

VERIFICATION BY OATH OR AFFIRMATION OF TREASURER

State of California

County of San Francisco ss.

I, F. A. Peter (Full Name of Treasurer of Political Committee), being duly sworn, depose (affirm) and say that the information in this Registration Form and Statement of Organization is complete, true, and correct.

F. A. Peter
(Signature of Treasurer of Political Committee)

Subscribed and sworn to (affirmed) before me this 13th day of May, A.D. 1975

KATHERINE E. REED
NOTARY PUBLIC – CALIFORNIA
CITY & COUNTY OF SAN FRANCISCO
My Commission Expires March 14, 1977

Katherine E. Reed
(Notary Public)

[SEAL]

My commission expires March 14, 1977

RETURN COMPLETED REPORT AND ATTACHMENTS TO:
Hon. Francis R. Valeo, Secretary of the Senate, U.S. Capitol, Washington, D.C. 20510

ATTACHMENT A

List all reports (other than reports required by this Act) required to be filed by this committee with states and local jurisdictions, and the names, addresses, and positions of the recipients of the reports:

Report Title	Dates Required to be filed	Name and Position of Recipient	Mailing Address and ZIP Code
Statement of Organization (Form 410)	Upon organization	Mrs. March Fong Eu California Secretary of State	P. O. Box 1467 Sacramento, CA 95814
Committee Campaign Statement (Form 420)	July 31 January 31 of each year	Mrs. March Fong Eu California Secretary of State	P. O. Box 1467 Sacramento, CA 95814
Committee Campaign Statement (Form 420)	40 and 12 days prior to, and 65 days after any election in which the Fund supports candidates	Mrs. March Fong Eu California Secretary of State Miscellaneous other California county and city clerks pursuant to California Government Code Section 81005	P. O. Box 1467 Sacramento, CA 95814

L0040123825

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Michael T. Moe, being duly sworn, deposes and says:

1. I have been an employee of Pacific Gas and Electric Company since March 1966.

2. Since April of 1976 I have been responsible for the preparation of all federal, state and local filings by the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I also serve as custodian of the Fund's ledgers.

3. The attached table sets forth pertinent information concerning the Fund.

4. Fund records indicate that William B. Hancock contributed a total of $40.00 to the Fund in the calendar year 1974, $80.00 in 1975, $20.00 in 1976 and $40.00 in 1977. His last contribution was on July 7, 1977.

5. There is no record of the Fund acting as an intermediary for a contribution from William B. Hancock to Terry A. Francois. If the Fund had been requested to act as an intermediary, a record of such request would have been made. It is the practice of the Fund to record such intermediary contributions.

6. Fund records indicate that Charles A. Miller did not participate in the Fund or ask that the Fund serve as an intermediary in the years 1974 through 1977. Mr. Miller began to contribute to the Fund in March of 1978.

Michael T. Moe
MICHAEL T. MOE

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

Maria Elena R. Varela

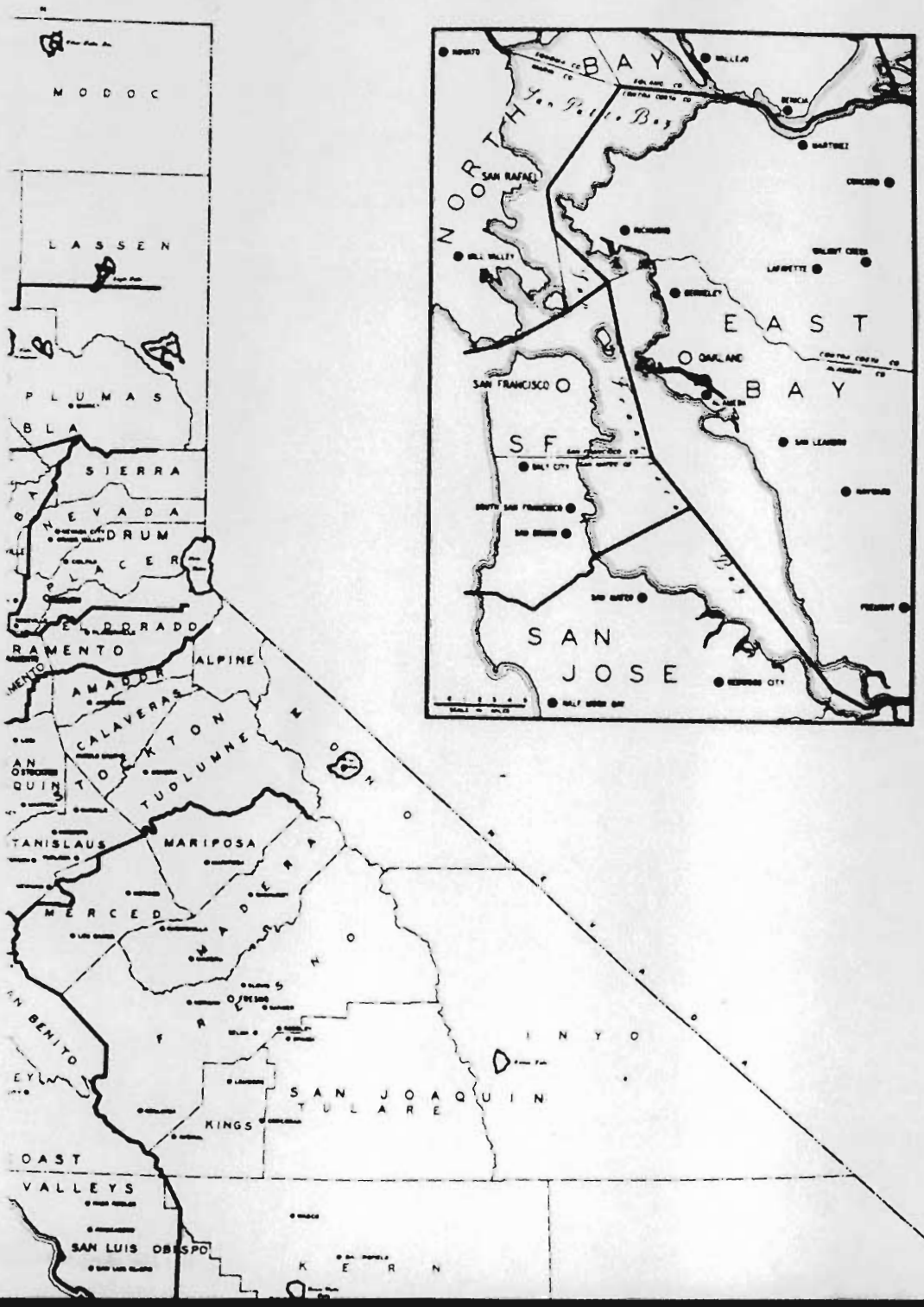
OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

SCHEDULE OF RECEIPTS, CONTRIBUTIONS AND CONTRIBUTORS
PACIFIC GAS AND ELECTRIC COMPANY EMPLOYEES' GOOD GOVERNMENT FUND

	1974	1975	1976	1977	1978	1979
Employee Contributions						
Payroll Deductions		$ 6,269.40	$15,688.70	$14,802.00	$20,351.50	$22,982.50
Direct Contributions	$15,339.55	13,306.50	8,120.00	5,042.00	3,728.00	1,656.00
Total	$15,339.55	$19,575.90	$23,808.70	$19,844.00	$24,079.50	$24,638.50
Intermediary Contributions	$ 6,377.50	$ 2,710.00	$ 4,945.00	$ 2,905.00	$ 4,400.00	$ 3,180.00
Total Contributions	$21,717.05	$22,285.90	$28,753.70	$ 22,749.00	$28,479.50	$27,818.50
Employees Participating:						
Payroll Deduction		610	625	609	722	690
Direct Contribution*	804	441	286	200	211	167
Total	804	1051	911	809	933	857
Average Contribution Received and/or Transmitted	$21.01	$21.20	$31.56	$28.12	$30.53	$32.46
GGF Contributions to Candidates/Committees	$15,339.55	$ 5,655.00	$32,735.00	$15,220.00	$30,755.00	$19,665.00
Average Contribution per Participating Employee*	$19.08	$ 5.38	$35.93	$18.81	$32.96	$22.94

* Includes Intermediary Contributors

Pacific Gas and Electric Company
Operating Divisions and Business Offices
Legend
Division Line
County Line
Issued by Commercial Operations
May 1, 1969
SHASTA
LASSEN
TRINITY
TEHAMA
PLUMAS
GLENN
BUTTE
SIERRA
COLUSA
NEVADA
DRUM
LAKE
NORTH BAY
YOLO
EL DORADO
SACRAMENTO
ALPINE
SONOMA
AMADOR
CALAVERAS
SOLANO
STOCKTON
TUOLUMNE
SAN JOAQUIN
CONTRA COSTA
EAST BAY
ALAMEDA
STANISLAUS
MARIPOSA
SANTA CLARA
SAN JOSE
MERCED
SAN BENITO
MONTEREY
SAN JOAQUIN
TULARE
KINGS
COAST VALLEYS
SAN LUIS OBISPO
KERN
SANTA BARBARA
VENTURA
LOS ANGELES
SAN BER
INYO
SAN RAFAEL
MILL VALLEY
RICHMOND
LAFAYETTE
BERKELEY
OAKLAND
SAN FRANCISCO
S.F.
DALY CITY
SOUTH SAN FRANCISCO
SAN BRUNO
SAN LEA
SAN JOSE
MORGAN HILL
HOLLISTER


MODOC
LASSEN
PLUMAS
SIERRA
NEVADA
PLACER
EL DORADO
AMADOR
CALAVERAS
TUOLUMNE
MARIPOSA
MERCED
KINGS
TULARE
INYO
SAN JOAQUIN
SAN LUIS OBISPO
KERN
NORTH BAY
EAST BAY
SAN FRANCISCO
SAN JOSE
SAN RAFAEL
OAKLAND
BERKELEY
LAFAYETTE
MARTINEZ
BENICIA
VALLEJO
SAN LEANDRO
SAN MATEO
SAN BRUNO
SOUTH SAN FRANCISCO
DALY CITY
MILL VALLEY
RICHMOND
FREMONT
REDWOOD CITY
HALF MOON BAY

0 0 0 4 0 1 2 2 1 8 3 2

CERTIFICATE OF DEATH

STATE OF CALIFORNIA — DEPARTMENT OF HEALTH
OFFICE OF THE STATE REGISTRAR OF VITAL STATISTICS

STATE FILE NUMBER: 1801 — LOCAL REGISTRATION DISTRICT AND CERTIFICATE NUMBER: 06285

DECEDENT PERSONAL DATA

1a NAME OF DECEASED—FIRST NAME: John	1b MIDDLE NAME: Harrell	1c LAST NAME: Black	2a DATE OF DEATH (MONTH DAY YEAR): October 12,1977
3 SEX: Male	4 COLOR OR RACE: White	5 BIRTHPLACE (STATE OR FOREIGN COUNTRY): California	6 DATE OF BIRTH: January 14,1922
7 AGE: 55 YEARS	8 NAME AND BIRTHPLACE OF FATHER: John E.Black-California	9 MAIDEN NAME AND BIRTHPLACE OF MOTHER: Elinor Harrell-California	
10 CITIZEN OF WHAT COUNTRY: U.S.A.	11 SOCIAL SECURITY NUMBER: 552-18-2560	12 MARRIED NEVER MARRIED WIDOWED DIVORCED (SPECIFY): Married	13 NAME OF SURVIVING SPOUSE (IF WIFE, ENTER MAIDEN NAME): Shirley Higgins
14 LAST OCCUPATION: Division Manager	15 NUMBER OF YEARS IN THIS OCCUPATION: 36	16 NAME OF LAST EMPLOYING COMPANY OR FIRM (IF SELF EMPLOYED SO STATE): Pacific Gas & Electric	17 KIND OF INDUSTRY OR BUSINESS: Utilities

PLACE OF DEATH

18a PLACE OF DEATH—NAME OF HOSPITAL OR OTHER IN PATIENT FACILITY	18b STREET ADDRESS—(STREET AND NUMBER OR LOCATION): 72-22nd Avenue		18c INSIDE CITY CORPORATE LIMITS (SPECIFY YES OR NO): Yes
18d CITY OR TOWN: San Francisco	18e COUNTY: San Francisco	18f LENGTH OF STAY IN COUNTY OF DEATH: 7 YEARS	18g LENGTH OF STAY IN CALIFORNIA: Life

USUAL RESIDENCE (IF DEATH OCCURRED IN INSTITUTION ENTER RESIDENCE BEFORE ADMISSION)

19a USUAL RESIDENCE—STREET ADDRESS (STREET AND NUMBER OR LOCATION): 72-22nd Avenue		19b INSIDE CITY CORPORATE LIMITS (SPECIFY YES OR NO): Yes	20 NAME AND MAILING ADDRESS OF INFORMANT: Mrs. Shirley Black 72-22nd Avenue San Francisco,California
19c CITY OR TOWN: San Francisco	19d COUNTY: San Francisco	19e STATE: California	

PHYSICIAN'S OR CORONER'S CERTIFICATION

21a CORONER: I HEREBY CERTIFY THAT DEATH OCCURRED AT THE HOUR, DATE AND PLACE STATED ABOVE FROM THE CAUSES STATED BELOW AND THAT I HAVE HELD ON THE REMAINS OF DECEASED AS REQUIRED BY LAW.

21b PHYSICIAN: I HEREBY CERTIFY THAT DEATH OCCURRED AT THE HOUR, DATE AND PLACE STATED ABOVE FROM THE CAUSES STATED BELOW AND THAT I ATTENDED THE DECEASED FROM 6 23 77 TO 10 12 77 AND LAST SAW ALIVE 10 9 77 1:00 PM

21c PHYSICIAN OR CORONER—SIGNATURE: Joseph S Goldberg MD — DATE SIGNED: Oct.13,1977

21e ADDRESS: Joseph Goldberg,M.D. 45 Castro,SF.,Ca — LICENSE NUMBER: A19740

FUNERAL DIRECTOR AND LOCAL REGISTRAR

22a SPECIFY BURIAL, ENTOMBMENT OR CREMATION: Cremation	22b DATE: Oct.14,1977	23 NAME OF CEMETERY OR CREMATORY: Olivet Mem.Park,Colma,Ca.	24 EMBALMER—SIGNATURE (IF BODY EMBALMED) LICENSE NUMBER: NOT EMBALMED
25 NAME OF FUNERAL DIRECTOR (OR PERSON ACTING AS SUCH): Halsted &Company	26 IF NOT CERTIFIED BY CORONER WAS THIS DEATH REPORTED TO CORONER (SPECIFY YES OR NO): yes	27 LOCAL REGISTRAR—SIGNATURE: Mervyn F Silverman MD	28 DATE RECEIVED FOR REGISTRATION BY LOCAL REGISTRAR: 10-14-77

MEDICAL AND HEALTH DATA — CAUSE OF DEATH

29 PART I. DEATH WAS CAUSED BY. ENTER ONLY ONE CAUSE PER LINE FOR A, B AND C

CONDITIONS, IF ANY, WHICH GAVE RISE TO THE IMMEDIATE CAUSE (A) STATING THE UNDERLYING CAUSE LAST

		APPROXIMATE INTERVAL BETWEEN ONSET AND DEATH
IMMEDIATE CAUSE (A)	Cardiac arrest	5 min
DUE TO, OR AS A CONSEQUENCE OF (B)	Coma	2 days
DUE TO, OR AS A CONSEQUENCE OF (C)	Oat cell carcinoma lt lt metastasis	1 yr

30 PART II. OTHER SIGNIFICANT CONDITIONS—CONTRIBUTING TO DEATH BUT NOT RELATED TO THE IMMEDIATE CAUSE GIVEN IN PART I: Diabetic hypertension

31 WAS OPERATION OR BIOPSY PERFORMED FOR ANY CONDITION IN ITEMS 29 OR 30? (SPECIFY OPERATION OR BIOPSY): Operation & Biopsy

32a AUTOPSY (SPECIFY YES OR NO): yes

32b WAS AUTOPSY FINDING USED IN DETERMINING CAUSE OF DEATH? (SPECIFY YES OR NO): yes

INJURY INFORMATION

33 SPECIFY ACCIDENT, SUICIDE OR HOMICIDE	34 PLACE OF INJURY (SPECIFY HOME, FARM, FACTORY, FREEWAY, HIGHWAY, STREET, OFFICE BUILDING, ETC.)	35 INJURY AT WORK (SPECIFY YES OR NO)	36a DATE OF INJURY—MONTH DAY YEAR	36b HOUR
37a PLACE OF INJURY (STREET AND NUMBER OR LOCATION AND CITY OR TOWN)		37b DISTANCE FROM PLACE OF INJURY TO USUAL RESIDENCE (ITEM 19) MILES	38 WERE LABORATORY TESTS DONE FOR DRUGS OR TOXIC CHEMICALS (SPECIFY YES OR NO)	39 WERE LABORATORY TESTS DONE FOR ALCOHOL (SPECIFY YES OR NO)

40 DESCRIBE HOW INJURY OCCURRED (ENTER SEQUENCE OF EVENTS WHICH RESULTED IN INJURY. NATURE OF INJURY SHOULD BE ENTERED IN ITEM 29)

STATE REGISTRAR

A.	B.	C.	D.	E.	F.
			1	1051 2	428

THIS IS TO CERTIFY THAT, IF BEARING THE SEAL OF THE SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH, THIS IS A TRUE COPY OF THE DOCUMENT FILED IN THIS OFFICE.

NO: 804387

DATED: Jul. 1, 1980

Mervyn F. Silverman MD MPH
MERVYN F. SILVERMAN, M.D.
DIRECTOR OF PUBLIC HEALTH
AND LOCAL REGISTRAR

SAN FRANCISCO CALIFORNIA

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Joseph Y. De Young, being duly sworn, deposes and says:

1. Since April of 1941, I have been employed by Pacific Gas and Electric Company. I am currently Vice President-Division Operations. I also serve as one of the three members of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

2. The policy concerning membership in the Fund has always been based upon wholly voluntary participation. As evidenced in written solicitations, participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment. It is and has been the Company's and the Fund's policy to provide a copy of the most recent version of the written solicitation to eligible employees.

3. In late 1974 and early 1975, the members of the Management Committee took part in informational meetings at which the Fund was explained to variouis departments. The department personnel I visited were told to instruct eligible employees that participation in the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination, or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has

///

been made clear that such tactics have no place in discussions of the Fund.

4. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present or former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had previously been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

Joseph Y. De Young

JOSEPH Y. DE YOUNG

Subscribed and sworn to before me on
July 2, 1980, in San Francisco, California.

Theodora Cooke

Theodora Cooke, Notary Public in and
for the City and County of San Francisco,
State of California

My Commission expires January 28, 1981

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

F. A. Peter, being duly sworn, deposes and says:

1. Since 1965, I have been employed by Pacific Gas and Electric Company. I currently serve as Vice President and Comptroller. I also serve as one of the three members of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

2. The policy concerning the Fund has always been based upon wholly voluntary participation. Participation in the Fund has no bearing on an employee's compensation, promotion, job responsibilities, or any other aspect of employment. It is and has been the Company's and the Fund's policy to provide a copy of the most recent version of the written summary to eligible employees.

3. In late 1974 and early 1975, the members of the Managing Committee took part in informational meetings in which the Fund was explained to departments. The department people I visited were told to instruct eligible employees that the program was entirely voluntary. I have never secured or attempted to secure contributions to the Fund by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals, nor have I ever instructed anyone else to use such tactics. On the contrary, it has been made clear that such tactics have no place in discussion of the Fund.

4. This is the first complaint brought to my attention from any present or former employee alleging that he or she was forced to contribute to the Fund. While there have been a few occasions when an employee has differed with the Managing Committee on the candidates selected to receive contributions, I have not, until now, personally received or heard of any present of former employee, other than Mr. Hancock, making an allegation of coercion against Mr. Black or anyone else. I had been informed that Mr. Hancock had, in 1979, made a similar complaint to San Francisco authorities.

F. A. PETER

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Howard M. McKinley, being duly sworn, deposes and says:

1. Since 1947, I have been employed by Pacific Gas and Electric Company. I currently serve as Vice President-Gas Operations. From December 1977 to March 1978, I served as Division Manager of the San Francisco Division, succeeding John H. Black.

2. I have never secured or attempted to secure contributions to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") by means of physical force, job discrimination, or reprisals or by any other threats or coercive tactics. I have never instructed or been instructed to use such tactics and have never been told that such coercion was used by anyone in the Company, including John H. Black.

3. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Howard M. McKinley

HOWARD M. MC KINLEY

Subscribed and sworn to before me on
July 31st, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

J. A. Fairchild, being duly sworn, deposes and says:

1. Since 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Manager of the San Francisco Division, having been appointed to my present position on July 1, 1978. I succeeded Howard M. McKinley, currently, Vice President-Gas Operation.

2. During my time as Division Manager, I have never secured or attempted to secure contributions to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") by means of physical force, job discrimination, financial reprisals or the threat of such force, discrimination or reprisals or by any other threats or coercive tactics. I have never instructed or been instructed to use such tactics and have never been told that such coercion was used by anyone in the Company, including John H. Black.

3. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

J. A. Fairchild

J. A. FAIRCHILD

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Maria Elena Ruiz Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Walter J. Farrell, being duly sworn, deposes and says:

1. Since July 1963, I have been employed by Pacific Gas and Electric Company ("PGandE"). From July 1974 to March 1978, I served in the San Francisco Division office, and reported to John H. Black, the Division Manager. I am not, nor have I ever been, a member of the Pacific Gas and Electric Company Employees' Good Government Fund's ("Fund") Managing Committee.

2. Part of my San Francisco Division duties included familiarizing eligible San Francisco Division personnel with the Fund. In so doing, I did not secure or attempt to secure any contributions to the Fund from any employee, including Mr. Hancock, by physical force, job discrimination, financial reprisals, or threats of such force, discrimination, or reprisals, or by any other threats or coercive tactics. I was never instructed to use such measures by John H. Black or any officer, manager, or employee of PGandE, nor did I ever personally hear or was ever told that Mr. Black or any person used such measures.

3. On the contrary, on several occasions I specifically informed division personnel that participation in the Fund was voluntary. For example, in August of 1975, I sent a written solicitation to the San Francisco Division Council (which

included Mr. Hancock) which stated that "Participation in . . . the Good Government Fund . . . is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities and any other aspect of employment." (Solicitation, p. 2.)

4. The written solicitation was attached to a memorandum written by me in which I stated that "Employee participation is entirely voluntary." In writing this memorandum (a copy of which is attached hereto as Exhibit A), it was not my intent to threaten employees with financial reprisal or job discrimination, but instead to inform the recipient of the importance of participating in the political process. The memorandum was drafted by me. It was not suggested or approved by the Managing Committee of the Fund.

5. No employee has ever complained to me that he or she contributed to the Fund due to physical force, job discrimination, financial reprisal or threats of such force, discrimination, or reprisal. At one point in 1974 or 1975, Mr. Hancock, to the best of my recollection, mentioned his salary rate to me in an informal conversation and gave me the impression that he may have felt that his contribution to the Fund was high in relation to his salary. I responded in words to the effect that the amount of the contribution "was up to him." He made no statements indicating he felt that he had been coerced by Mr. Black and I did not state, either to him or anyone else, that any particular amount was required.

6. Since March, 1978, I have been assigned to a department within the General Office. I am no longer involved in Fund activities.

Walter J. Farrell

WALTER J. FARRELL

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

WJF

+ 62-6218 (REV. 9-70)

EXHIBIT A

PG and E

FOR INTRA—COMPANY USES

DIVISION OR DEPARTMENT SAN FRANCISCO Div. Mgr's. Ofc.
FILE NO. 004
RE LETTER OF
SUBJECT Good Government Fund

August 6, 1975

DIVISION COUNCIL
SAN FRANCISCO DIVISION

At the Division Council meeting of August 5, we discussed the subject of expanded employee participation in the Good Government Fund. Consequently, the following information is being sent to you with this letter: 1) The Good Government Fund Fact Sheet, 2) Voluntary Payroll Deduction Form, and 3) Typical Gift Schedule.

Additional copies for your keymen are also enclosed. It is suggested that you explain the new program to your keymen at one of your regular meetings. The following points should be highlighted:

Employee participation is entirely voluntary.

The suggested monthly deduction is comparatively modest.

It is important to the Company's and therefore, the employees' future and survival that employees participate in this manner in the political process.

Political candidates will be impressed to know that a Good Government Fund contribution to them represents perhaps 7500 employees as opposed to the current 750.

Federal and state income tax deductions are available.

In the present environment, the Good Government Fund is the optimum means for the Company and its employees to get the attention of political candidates.

If additional assistance or information is required, please let me know.

W. J. Farrell

W. J. FARRELL

WJF:kmy
cc: JHBlack

0004 0 2 1 8 4 8

THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September 1974 as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Commercial Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and (commencing in 1975) federal office; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and their committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns at the discretion of the Managing Committee.

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*A copy of our report is filed with the Federal Election Commission and available for purchase from the Federal Election Commission, Washington, D.C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P.O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106.

(2) Employees who prefer to designate the candidate to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign on behalf of the employees.

Employees who wish to make their donations directly to campaigns without using the FUND can join PGandE's INVEST IN DEMOCRACY program. Participants in I.I.D. receive free special checking accounts into which they can deposit personal funds or, if they prefer, have a small amount deposited automatically each month through payroll deduction. They can then use their special INVEST IN DEMOCRACY checks to make contributions from the funds they have accumulated to any political campaign or committee. If the employee wishes, I.I.D. checks can also be used to make contributions to the GOOD GOVERNMENT FUND or to individual candidates' campaigns and given to the FUND for it to transmit as intermediary.

For further information on INVEST IN DEMOCRACY, employees should contact the Governmental and Public Affairs Department, Ext. 2754.

Participation in either the GOOD GOVERNMENT FUND or INVEST IN DEMOCRACY, or both, is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

The FUND has no legal obligation to disclose in its public filings any information when it serves as an intermediary for an employee who writes a check made payable directly to a candidate's campaign. However, in the spirit of disclosure, the FUND has adopted the policy of listing each candidate's campaign to which it transmitted contributions as an intermediary, together with the total amount contributed to the campaign. The FUND does not list the names of the individual contributors for whom it served as intermediary, but the recipient candidate's campaign probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1975 federal taxes (payable in 1976), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1975 California state income taxes (payable in 1976) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return), but there is no tax credit permitted.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through either their personal checking accounts or the INVEST IN DEMOCRACY program. Such contributions to ballot measure campaigns, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a particular political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1974, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new ___ revised ___ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

From time to time the managing committee of the Good Government Fund is asked by employees who wish to participate in the Fund for some indication of the typical gifts of others in similar circumstances.

Should such questions arise in talking to participants, agents of the Fund should emphasize that, because the Fund is strictly voluntary and the amount contributed as well as the decision to participate at all is left to the employee's sole discretion, participants are not "expected" to contribute in any particular amount. However, if the participant desires to have some indication of the amounts of the gifts of others in order to form a basis for his own decision, the following is an estimate of the average of typical contributions by persons in the salary range indicated.

Committee's Estimate of Typical Gift

Annual Salary Range	Monthly Payroll Deduction to Good Government Fund
Below $20,000	$1
$20,000 - $25,000	2
$26,000 - $30,000	3
$31,000 - $35,000	4
$36,000 and over	5

5/9/75

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Bonnie K. Duffy, being duly sworn, deposes and says:

1. Since February of 1965, I have been employed by Pacific Gas and Electric Company.

2. From March 1971 to October 12, 1977, I served as division secretary to John H. Black, San Francisco Division Manager.

3. Prior to his death on October 12, 1977, Mr. Black was incapacitated for several months. His last working day in the office was June 3, 1977. From then until his death, he was either in the hospital or at his residence.

4. Between June 3, and October 12, 1977, I saw Mr. Black on several occasions in the hospital and at his residence to discuss business and deliver company mail. I do not recall any discussion of the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") during this time and a review of division files does not indicate that Mr. Black took any action with respect to the Fund.

5. In the over six years I reported to Mr. Black, I never saw or heard him or any other person use or threaten to use physical force, job discrimination or financial reprisals to secure contributions to the Fund. No one has ever complained to me that a contribution to the Fund had been secured by such

methods.

6. Review of the file indicates that Mr. Black received the attached summary of the Fund. The initials "JHB" are Mr. Black's. My stamp indicates he received the summary on March 25, 1975.

BONNIE K. DUFFY

Subscribed and sworn to before me on July 3, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

FROM THE DESK OF
JOE

RECEIVED
MANAGER'S OFFICE
MAR 25 1975
SUB DIVISION

MAB JHB
RCB RCM
WJF CAM
WBH KER
JK APV
WAM LTM KHW

March 21, 1975

DIVISION MANAGERS:

Attached please find a copy of the new "Good Government Fund" summary together with an application form for payroll deduction. This package should be reproduced as needed and made available to any employee inquiring about the program.

JKelly

cc: E. B. Langley, Jr.

0004022858

THE GOOD GOVERNMENT FUND

The GOOD GOVERNMENT FUND was formed in September 1974 as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California state income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Comptroller (who serves as Chairman and Treasurer), Vice President-Division Operations, and Vice President-Commercial Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and (commencing in 1975) federal office; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and their committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns at the discretion of the Managing Committee.

(2) Employees who prefer to designate the candidate to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign on behalf of the employees.

Employees who wish to make their donations directly to campaigns without using the FUND can join PGandE's INVEST IN DEMOCRACY program. Participants in IID receive free special checking accounts into which they can deposit personal funds or, if they prefer, have a small amount deposited automatically each month through payroll deduction. They can then use their special INVEST IN DEMOCRACY checks to make contributions from the funds they have accumulated to any political campaign or committee. If the employee wishes, IID checks can also be used to make contributions to the GOOD GOVERNMENT FUND or to individual candidates' campaigns and given to the FUND for it to transmit as intermediary.

For further information on INVEST IN DEMOCRACY, employees should contact the Governmental and Public Affairs Department, Ext. 2754.

Participation in either the GOOD GOVERNMENT FUND or INVEST IN DEMOCRACY, or both, is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. However, for convenience in handling, if you are writing a check (rather than using payroll deduction) or asking the FUND to serve as intermediary for a check to a specific candidate's campaign, the minimum amount should be $10.00. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

The FUND has no legal obligation to disclose in its public filings any information when it serves as an intermediary for an employee who writes a check made payable directly to a candidate's campaign. However, in the spirit of disclosure, the FUND has adopted the policy of listing each candidate's campaign to which it transmitted contributions as an intermediary, together with the total amount contributed to the campaign. The FUND does not list the names of the individual contributors for whom it served as intermediary, but the recipient candidate's campaign probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100% of the contributions it receives from employees to support the campaigns of announced candidates, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1975 federal taxes (payable in 1976), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1975 California state income taxes (payable in 1976) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return), but there is no tax credit permitted.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through either their personal checking accounts or the INVEST IN DEMOCRACY program. Such contributions to ballot measure campaigns, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a particular political party, and in certain cases non-partisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1974, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be

supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

8004022862

3-20-75

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new ___ revised____ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division _____

0004023863

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Bonnie K. Duffy, being duly sworn, deposes and says:

1. Since February of 1965, I have been employed by Pacific Gas and Electric Company.

2. From March 1971 to October 12, 1977, I served as Division Secretary to John H. Black, San Francisco Division Manager. I presently serve in the same capacity to J. A. Fairchild.

3. Review of pertinent files indicates that the following persons were members of the San Francisco Division Council at one time or another between 1974 and 1977: M. A. Balke; R. G. Bouret; W. J. Farrell; W. B. Hancock; J. Kinder; L. T. McKelvey; C. A. Miller; R. H. Jones; E. V. Lathrop; K. V. Hayes; F. J. Regan; A. F. Vial; K. E. Robin; R. C. Metcalf; K. H. Whalen; J. H. Black; and W. A. Mc Candless.

Bonnie K. Duffy

BONNIE K. DUFFY

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO
My Comm. Expires March 26, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Max A. Balke, being duly sworn, deposes and says:

1. Since November 1950, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Coast Valleys Division Steam Superintendent.

2. From 1973 to July 1, 1980, I was Division Steam Superintendent, San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I do not contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), but have in the past.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. I do recall that suggested contribution guidelines were discussed between peers

and that there may have been a suggestion by my peers to contribute approximately $100.00 per year; but at no time was I told by anyone that this amount was required to be contributed.

6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

7. I also recall receiving the attached letter from W. J. Farrell dated August 6, 1975, together with the fact sheet. I did not then or now feel forced or coerced to contribute by nature of that letter or attachment.

Max A. Balke

MAX A. BALKE

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

WJF

+ 62-6218 (REV. 9-70)

PG and E

FOR INTRA—COMPANY USES

DIVISION OR DEPARTMENT SAN FRANCISCO Div. Mgr's. Ofc.
FILE NO. 004
RE LETTER OF
SUBJECT Good Government Fund

August 6, 1975

DIVISION COUNCIL
SAN FRANCISCO DIVISION

At the Division Council meeting of August 5, we discussed the subject of expanded employee participation in the Good Government Fund. Consequently, the following information is being sent to you with this letter: 1) The Good Government Fund Fact Sheet, 2) Voluntary Payroll Deduction Form, and 3) Typical Gift Schedule.

Additional copies for your keymen are also enclosed. It is suggested that you explain the new program to your keymen at one of your regular meetings. The following points should be highlighted:

Employee participation is entirely voluntary.

The suggested monthly deduction is comparatively modest.

It is important to the Company's and therefore, the employees' future and survival that employees participate in this manner in the political process.

Political candidates will be impressed to know that a Good Government Fund contribution to them represents perhaps 7500 employees as opposed to the current 750.

Federal and state income tax deductions are available.

In the present environment, the Good Government Fund is the optimum means for the Company and its employees to get the attention of political candidates.

If additional assistance or information is required, please let me know.

W. J. Farrell

W. J. FARRELL

WJF:kmy
cc: JHBlack

0 0 4 0 2 2 3 8 6 3

THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September 1974 as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Commercial Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and (commencing in 1975) federal office; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and their committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns at the discretion of the Managing Committee.

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*A copy of our report is filed with the Federal Election Commission and available for purchase from the Federal Election Commission, Washington, D.C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P.O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106.

(2) Employees who prefer to designate the candidate to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign on behalf of the employees.

Employees who wish to make their donations directly to campaigns without using the FUND can join PGandE's INVEST IN DEMOCRACY program. Participants in I.I.D. receive free special checking accounts into which they can deposit personal funds or, if they prefer, have a small amount deposited automatically each month through payroll deduction. They can then use their special INVEST IN DEMOCRACY checks to make contributions from the funds they have accumulated to any political campaign or committee. If the employee wishes, I.I.D. checks can also be used to make contributions to the GOOD GOVERNMENT FUND or to individual candidates' campaigns and given to the FUND for it to transmit as intermediary.

For further information on INVEST IN DEMOCRACY, employees should contact the Governmental and Public Affairs Department, Ext. 2754.

Participation in either the GOOD GOVERNMENT FUND or INVEST IN DEMOCRACY, or both, is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

The FUND has no legal obligation to disclose in its public filings any information when it serves as an intermediary for an employee who writes a check made payable directly to a candidate's campaign. However, in the spirit of disclosure, the FUND has adopted the policy of listing each candidate's campaign to which it transmitted contributions as an intermediary, together with the total amount contributed to the campaign. The FUND does not list the names of the individual contributors for whom it served as intermediary, but the recipient candidate's campaign probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1975 federal taxes (payable in 1976), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1975 California state income taxes (payable in 1976) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return), but there is no tax credit permitted.

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Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through either their personal checking accounts or the INVEST IN DEMOCRACY program. Such contributions to ballot measure campaigns, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a particular political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1974, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

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PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new ___ revised ___ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

From time to time the managing committee of the Good Government Fund is asked by employees who wish to participate in the Fund for some indication of the typical gifts of others in similar circumstances.

Should such questions arise in talking to participants, agents of the Fund should emphasize that, because the Fund is strictly voluntary and the amount contributed as well as the decision to participate at all is left to the employee's sole discretion, participants are not "expected" to contribute in any particular amount. However, if the participant desires to have some indication of the amounts of the gifts of others in order to form a basis for his own decision, the following is an estimate of the average of typical contributions by persons in the salary range indicated.

Committee's Estimate of Typical Gift

Annual Salary Range	Monthly Payroll Deduction to Good Government Fund
Below $20,000	$1
$20,000 - $25,000	2
$26,000 - $30,000	3
$31,000 - $35,000	4
$36,000 and over	5

5/9/75

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY OF SAN FRANCISCO)

Ray G. Bouret, being duly sworn, deposes and says:

1. From November 1952 to 1980, I was employed by Pacific Gas and Electric Company ("PGandE"). I recently retired from the Company.

2. From 1968 to 1970, I was Executive Representative to the San Francisco Division Manager. From 1970 to 1980, I served as Administrative Assistant to the San Francisco Division Manager. In both of these capacities, I sat as a member of the San Francisco Division Council.

3. I did contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

4. No PGandE officer, manager, or employee ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I never instructed or was instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I was never instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor did I personally do so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear

understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

6. I recall receiving the attached August 6, 1975, memorandum from Walter J. Farrell. I did not feel threatened or coerced by the memorandum.

Ray G. Bouret

RAY G. BOURET

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

Maria Elena R. Varela

WJF

PG and E

FOR INTRA—COMPANY USES

DIVISION OR DEPARTMENT SAN FRANCISCO Div. Mgr's. Ofc.
FILE NO. 004
RE LETTER OF
SUBJECT Good Government Fund

August 6, 1975

DIVISION COUNCIL
SAN FRANCISCO DIVISION

At the Division Council meeting of August 5, we discussed the subject of expanded employee participation in the Good Government Fund. Consequently, the following information is being sent to you with this letter: 1) The Good Government Fund Fact Sheet, 2) Voluntary Payroll Deduction Form, and 3) Typical Gift Schedule.

Additional copies for your keymen are also enclosed. It is suggested that you explain the new program to your keymen at one of your regular meetings. The following points should be highlighted:

Employee participation is entirely voluntary.

The suggested monthly deduction is comparatively modest.

It is important to the Company's and therefore, the employees' future and survival that employees participate in this manner in the political process.

Political candidates will be impressed to know that a Good Government Fund contribution to them represents perhaps 7500 employees as opposed to the current 750.

Federal and state income tax deductions are available.

In the present environment, the Good Government Fund is the optimum means for the Company and its employees to get the attention of political candidates.

If additional assistance or information is required, please let me know.

W. J. Farrell

W. J. FARRELL

WJF:kmy
cc: JHBlack

THE GOOD GOVERNMENT FUND*

The GOOD GOVERNMENT FUND was formed in September 1974 as an on-going, independent political committee created for the employees of the Pacific Gas and Electric Company, the Pacific Gas Transmission Company, Standard Pacific Gas Lines, Inc., and the Pacific Service Employees Association. A wholly voluntary program, it serves as a means by which participating employees can support political candidates on a coordinated basis, pooling their donations through one committee rather than making individual contributions. Within the limits set by law, employee contributions to the FUND are eligible for federal income tax deduction or credit and California State income tax deduction.

The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Commercial Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and (commencing in 1975) federal office; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and their committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns at the discretion of the Managing Committee.

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*A copy of our report is filed with the Federal Election Commission and available for purchase from the Federal Election Commission, Washington, D.C. A copy of our report is also filed with the California Secretary of State and available for purchase from the Secretary of State, P.O. Box 1467, Sacramento, CA 95814. Copies of all Good Government Fund reports are available for inspection in the Comptroller's Department, 77 Beale Street, San Francisco, CA 94106.

(2) Employees who prefer to designate the candidate to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign on behalf of the employees.

Employees who wish to make their donations directly to campaigns without using the FUND can join PGandE's INVEST IN DEMOCRACY program. Participants in I.I.D. receive free special checking accounts into which they can deposit personal funds or, if they prefer, have a small amount deposited automatically each month through payroll deduction. They can then use their special INVEST IN DEMOCRACY checks to make contributions from the funds they have accumulated to any political campaign or committee. If the employee wishes, I.I.D. checks can also be used to make contributions to the GOOD GOVERNMENT FUND or to individual candidates' campaigns and given to the FUND for it to transmit as intermediary.

For further information on INVEST IN DEMOCRACY, employees should contact the Governmental and Public Affairs Department, Ext. 2754.

Participation in either the GOOD GOVERNMENT FUND or INVEST IN DEMOCRACY, or both, is totally voluntary and will have no bearing on the employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

The FUND has no legal obligation to disclose in its public filings any information when it serves as an intermediary for an employee who writes a check made payable directly to a candidate's campaign. However, in the spirit of disclosure, the FUND has adopted the policy of listing each candidate's campaign to which it transmitted contributions as an intermediary, together with the total amount contributed to the campaign. The FUND does not list the names of the individual contributors for whom it served as intermediary, but the recipient candidate's campaign probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1975 federal taxes (payable in 1976), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1975 California state income taxes (payable in 1976) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return), but there is no tax credit permitted.

Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through either their personal checking accounts or the INVEST IN DEMOCRACY program. Such contributions to ballot measure campaigns, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a particular political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1974, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new ___ revised ___ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

From time to time the managing committee of the Good Government Fund is asked by employees who wish to participate in the Fund for some indication of the typical gifts of others in similar circumstances.

Should such questions arise in talking to participants, agents of the Fund should emphasize that, because the Fund is strictly voluntary and the amount contributed as well as the decision to participate at all is left to the employee's sole discretion, participants are not "expected" to contribute in any particular amount. However, if the participant desires to have some indication of the amounts of the gifts of others in order to form a basis for his own decision, the following is an estimate of the average of typical contributions by persons in the salary range indicated.

Committee's Estimate of Typical Gift

Annual Salary Range	Monthly Payroll Deduction to Good Government Fund
Below $20,000	$1
$20,000 - $25,000	2
$26,000 - $30,000	3
$31,000 - $35,000	4
$36,000 and over	5

5/9/75

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

James Kinder, being duly sworn, deposes and says:

1. Since November, 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Personnel Manager for the San Francisco Division.

2. From 1972 to the present, I have been a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), but have done so in the past.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have personally never done so. I have never been told by any present or former employee that such coercion was used by anyone in the Company. However, within the last six months, I have seen material apparently written by William B. Hancock which includes references to the Fund and contributions to it, but I don't presently recall the details. I believe that the contributions made by the Managing Committee of the Fund which is affiliated with a regulated utility will, in most cases, have a beneficial effect on the election of responsible candidates. I also believe that participation in the

Fund will advance the interests of an employee through the election of responsible candidates who support the free enterprise system and, particularly, private ownership of utilities.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. I recall that J. H. Black suggested contribution guidelines, but specifically emphasized the voluntary nature of contributions to the Fund and directed that subordinates be instructed that the Fund was voluntary

6. It has always been my understanding that the policy of the Company and the Fund is that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment. I have never made a personnel recommendation based on participation or lack of participation in the Fund.

James Kinder

JAMES KINDER

Subscribed and sworn to before me on July 9th, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

Maria Elena R. Varela

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Leo T. McKelvey, being duly sworn, deposes and says:

1. Since February 25, 1952, I have been employed by Pacific Gas and Electric Company ("PGandE").

2. Since 1965, I have been the San Francisco Division Manager of General Services, and, in that capacity, sit as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). At one time or another, during the years 1974 through 1977, I did contribute to the Fund.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. When I was first introduced to the Fund, I was advised that participation in it was entirely voluntary. Later,

I recall receiving the attached letter from W. J. Farrell, dated August 6, 1975, together with fact sheet. I at no time felt coerced or forced to contribute by nature of Mr. Farrell's letter or any other written or oral statement from any person.

6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Leo T. McKelvey

LEO T. MC KELVEY

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
MARCH 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Richard Henry Jones, being duly sworn, deposes and says:

1. Since May 1936, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Gas Superintendent, San Francisco Division.

2. From June 1976 to the present, I have sat as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I did contribute previously, but discontinued contribution in 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Richard H Jones

RICHARD HENRY JONES

Subscribed and sworn to before me on July 8th, 1980, in San Francisco, Calfornia.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Edward V. Lathrop, being duly sworn, deposes and says:

1. Since August 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently Division Marketing Manager in the San Francisco Division.

2. Since March of 1977, I have been a member of the San Francisco Division Council.

3. I contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund").

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

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have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Edward V Lathrop

EDWARD V. LATHROP

Subscribed and sworn to before me on July 8, 1980, in San Francisco, California.

Katherine E. Reed

OFFICIAL SEAL
KATHERINE E. REED
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
MY COMMISSION EXPIRES MARCH 16, 1981

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth Victor Hayes, Jr., being duly sworn, deposes and says:

1. Since 1966, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently an Administrative Analyst in the PGandE General Office.

2. From August 1, 1977, to February 1, 1979, I was an Administrative Analyst in the San Francisco Division Manager's Office and in that capacity sat as a member of the San Francisco Division Council.

3. I have contributed to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") for several years.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund, nor have I personally done so. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

Kenneth Victor Hayes Jr

KENNETH VICTOR HAYES, JR.

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

Maria Elena R. Varela

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Frank J. Regan, being duly sworn, deposes and says:

1. Since 1968, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently assigned to the Energy Conservation and Services Department of the General Office.

2. From August 1976 to August 1977, I served as a Special Representative to J. H. Black, Manager of the San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I began contributing in mid-1979.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present of former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, I have been advised on several occasions that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

FRANK J. REGAN

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY OF OAKLAND)

Albert F. Vial, being duly sworn, deposes and says:

1. Since June 1939, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently District Manager, Central District, East Bay Division.

2. From 1971 to March 1978, I was District Manager, Northern San Mateo County, San Francisco Division, and in that capacity sat as a member of the San Francisco Division Council.

3. I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I did contribute in 1974, 1975, 1976 and 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will

have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

6. I recall receiving the attached memorandum of August 6, 1975, from Walter J. Farrell. I did not feel then and do not feel now that the memorandum was in any way coercive.

Albert F. Vial

ALBERT F. VIAL

Subscribed and sworn to before me on July 8th, 1980, in Oakland, California.

C. Warren Fuller

C. WARREN FULLER

OFFICIAL SEAL
C. WARREN FULLER
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN ALAMEDA CO.
My Commission Expires Oct. 29, 1981

WJF

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PG and E

FOR INTRA—COMPANY USES

DIVISION OR DEPARTMENT SAN FRANCISCO Div. Mgr's. Ofc.
FILE NO. 004
RE LETTER OF
SUBJECT Good Government Fund

August 6, 1975

DIVISION COUNCIL
SAN FRANCISCO DIVISION

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Additional copies for your keymen are also enclosed. It is suggested that you explain the new program to your keymen at one of your regular meetings. The following points should be highlighted:

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It is important to the Company's and therefore, the employees' future and survival that employees participate in this manner in the political process.

Political candidates will be impressed to know that a Good Government Fund contribution to them represents perhaps 7500 employees as opposed to the current 750.

Federal and state income tax deductions are available.

In the present environment, the Good Government Fund is the optimum means for the Company and its employees to get the attention of political candidates.

If additional assistance or information is required, please let me know.

W. J. Farrell

W. J. FARRELL

WJF:kmy
cc: JHBlack

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THE GOOD GOVERNMENT FUND*

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The FUND is administered by a three-member Managing Committee: PGandE's Vice President-Commercial Operations (who serves as Chairman), Vice President and Comptroller (who serves as Treasurer), and Vice President-Division Operations. All donations to the FUND by employees are used exclusively to support candidates for local, state, and (commencing in 1975) federal office; no contributions are made to ballot measure campaigns and all administrative costs are borne by PGandE. The FUND is registered as a political committee under all applicable laws and files periodic public disclosure statements reporting all contributions which it receives from employees and all donations it makes to political candidates and their committees.

Employees can participate in the FUND in either or both of two ways:

(1) Employees who wish the FUND's Managing Committee to decide which candidates should receive support should make their contributions directly to the FUND either through automatic monthly payroll deduction, utilizing the attached form, or by checks made payable to the "Good Government Fund" (no cash will be accepted). These contributions are deposited in the FUND's treasury and disbursed to political candidates' campaigns at the discretion of the Managing Committee.

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(2) Employees who prefer to designate the candidate to receive their contributions but who prefer to have the FUND transmit the donations rather than to send them personally may give to the FUND their checks made payable to the candidate's campaign they wish to support. The FUND then serves as intermediary, sending the checks to the candidate's campaign on behalf of the employees.

Employees who wish to make their donations directly to campaigns without using the FUND can join PGandE's INVEST IN DEMOCRACY program. Participants in I.I.D. receive free special checking accounts into which they can deposit personal funds or, if they prefer, have a small amount deposited automatically each month through payroll deduction. They can then use their special INVEST IN DEMOCRACY checks to make contributions from the funds they have accumulated to any political campaign or committee. If the employee wishes, I.I.D. checks can also be used to make contributions to the GOOD GOVERNMENT FUND or to individual candidates' campaigns and given to the FUND for it to transmit as intermediary.

For further information on INVEST IN DEMOCRACY, employees should contact the Governmental and Public Affairs Department, Ext. 2754.

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The following are some commonly asked questions about the GOOD GOVERNMENT FUND. If you would like more details on the program, please contact the Managing Committee, Room 893, 77 Beale Street, San Francisco (Ext. 2476).

IF I JOIN THE GOOD GOVERNMENT FUND, HOW MUCH SHOULD I CONTRIBUTE?

There is no recommended or expected amount for a contribution to the FUND; you may give as much or as little as you want. If you join via payroll deduction, you can request that any amount be withheld each month.

In 1974, a total of 757 employees participated in the FUND; 635 contributed directly to it, and 122 requested that it serve as intermediary for checks of varying amounts made payable to specific candidates' campaigns. Of the 635 who gave directly to the FUND, the average donation was $27.00, with the great majority of donations in the $10 to $15 range.

WHO WILL KNOW ABOUT MY CONTRIBUTIONS?

As a registered political committee, the FUND files periodic public disclosure reports which include details on both the contributions it receives from employees and the donations it makes to selected candidates. As a general rule, if you contribute to the FUND an aggregate total of $50 or more in a calendar year, it will be necessary for the FUND to itemize the following information in these public filings: your full name, street address, occupation, employer (PGandE, PGT, StanPac, or PSEA), the amount and date of each of your contributions to the FUND, and the cumulative amount of such contributions. If you give less than $50, the FUND will list your name along with those of all other employees who have contributed less than $50, but will not provide any further information of the kind required for contributors of $50 or more.

The FUND has no legal obligation to disclose in its public filings any information when it serves as an intermediary for an employee who writes a check made payable directly to a candidate's campaign. However, in the spirit of disclosure, the FUND has adopted the policy of listing each candidate's campaign to which it transmitted contributions as an intermediary, together with the total amount contributed to the campaign. The FUND does not list the names of the individual contributors for whom it served as intermediary, but the recipient candidate's campaign probably will disclose such information.

In addition to filing these disclosure statements with various public agencies, the FUND maintains copies for the inspection of any interested employee.

HOW MUCH OF MY CONTRIBUTION IS DEDUCTIBLE?

Since the GOOD GOVERNMENT FUND utilizes 100 percent of the contributions it receives from employees to support the campaigns of announced candidates, contributions to the FUND are eligible for Federal income tax deduction or credit.

There is a ceiling, however, on the total amount of federal income tax deductions or credits a person may claim for one year. Under present law, for your 1975 federal taxes (payable in 1976), you will be allowed to deduct up to $100 of your political contributions ($200 on a joint return) or take a tax credit for half of your contributions up to a maximum credit of $25 (representing contributions up to $50), or a maximum credit of $50 on a joint return (representing contributions up to $100). If your political contributions total more than these amounts during the year, you will still only be able to deduct up to, or take credits for, these maximum amounts.

On 1975 California state income taxes (payable in 1976) you may also deduct up to a maximum of $100 of your aggregate political contributions for the year ($200 on a joint return), but there is no tax credit permitted.

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Employees should consult their tax advisors for further details on the deductions or credits available for political contributions.

DOES THE FUND GIVE CONTRIBUTIONS TO BALLOT MEASURES?

No. In order for contributions to the FUND to be eligible for federal income tax deduction or credit, it must not donate to ballot measure campaigns. Employees who wish to donate to ballot measures are encouraged to do so through either their personal checking accounts or the INVEST IN DEMOCRACY program. Such contributions to ballot measure campaigns, while not deductible from Federal income taxes, are eligible for deduction from California State income taxes up to the allowable maximum mentioned above.

HOW DOES THE MANAGING COMMITTEE DECIDE WHICH CANDIDATES TO SUPPORT?

A number of factors weigh on the Managing Committee's decisions as to whom to support and the amounts to give. In general, support is given to candidates whose voting records or issue positions indicate they have a balanced and effective approach to issues affecting the private enterprise system. No preference is given to a particular political party, and in certain cases nonpartisan candidates for local office are also supported. In all cases, the amounts contributed are relatively modest (in 1974, the average FUND donation to candidates was less than $250).

While all contributions by the FUND are made at the discretion of the Managing Committee, recommendations by participating employees are carefully considered. If you have a particular candidate whom you think should be supported by the FUND, contact the Managing Committee, Room 893, 77 Beale Street (Ext. 2476). Be sure to include the name of the candidate's committee, the office he or she is seeking, and the address to which contributions should be sent (if available, enclose campaign literature about the candidate).

HOW CAN I FIND OUT WHO THE FUND HAS SUPPORTED?

As mentioned above, the FUND files periodic public disclosure statements with details on both the employees who contribute to it and the candidates to whom it makes contributions. A copy of this report is available to any employee at any time, and questions as to whether support has been given to specific candidates can be furnished by telephone upon request (Ext. 2476).

PACIFIC GAS AND ELECTRIC COMPANY
VOLUNTARY POLITICAL CONTRIBUTION PLAN
(PAYROLL DEDUCTION PLAN)

Payroll Department:

Pursuant to the "Good Government Fund" Voluntary Political Contribution Plan, I hereby authorize and direct Pacific Gas and Electric Company to withhold $_____ from the last paycheck issued to me each month beginning with the month _____ and to transmit the amounts so withheld to the Good Government Fund. My Social Security number is _____.

The authorization hereby granted shall continue until revoked or revised by me by notice in writing, mailed or delivered to the Payroll Department. This is a new ___ revised ___ authorization (check one).

Name (type or print) _____

Signed _____ Date _____

Address _____

City _____ State _____ Zip _____

Division/Department _____

6004023911

From time to time the managing committee of the Good Government Fund is asked by employees who wish to participate in the Fund for some indication of the typical gifts of others in similar circumstances.

Should such questions arise in talking to participants, agents of the Fund should emphasize that, because the Fund is strictly voluntary and the amount contributed as well as the decision to participate at all is left to the employee's sole discretion, participants are not "expected" to contribute in any particular amount. However, if the participant desires to have some indication of the amounts of the gifts of others in order to form a basis for his own decision, the following is an estimate of the average of typical contributions by persons in the salary range indicated.

Committee's Estimate of Typical Gift

Annual Salary Range	Monthly Payroll Deduction to Good Government Fund
Below $20,000	$1
$20,000 - $25,000	2
$26,000 - $30,000	3
$31,000 - $35,000	4
$36,000 and over	5

5/9/75

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth E. Robin, being duly sworn, deposes and says:

1. Since 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently San Francisco Division Customer Service Manager.

2. From September 1974 to the present, I have been a member of the San Francisco Division Council.

3. I began contributing to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund") on or about September 1974 and, with the exception of 1976, have contributed ever since.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics, nor have I personally done so. I have never been told by any present or former employee that such coercion was used by anyone in the Company to secure contributions to the Fund. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund.

5. On the contrary, it has always been my clear

understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation , classification, promotion, job responsibilities, or any other aspect of employment.

6. I recall receiving the attached memorandum of August 6, 1975, from Walter J. Farrell. I did not feel then or now that the memorandum or attachment was in any way coercive.

KENNETH E. ROBIN

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

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AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Robert C. Metcalf, being duly sworn, deposes and says:

1. Since February 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently, and have been since 1973, the Credit Manager of San Francisco Division.

2. In 1973, I became a member of the San Francisco Division Council. I no longer attend meetings, but did so in the years 1974 through 1977.

3. I do not contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I have done so in the past and did so at one time or another between 1974 and 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics, have never been told by any present or former employee that such coercion was used by anyone in the Company, nor have I personally ever employed coercive tactics on anyone.

5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Robert C. Metcalf, being duly sworn, deposes and says:

1. Since February 1946, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently, and have been since 1973, the Credit Manager of San Francisco Division.

2. In 1973, I became a member of the San Francisco Division Council. I no longer attend meetings, but did so in the years 1974 through 1977.

3. I do not contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"). I have done so in the past and did so at one time or another between 1974 and 1977.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the Fund. I have never instructed or been instructed to use such tactics, have never been told by any present or former employee that such coercion was used by anyone in the Company, nor have I personally ever employed coercive tactics on anyone.

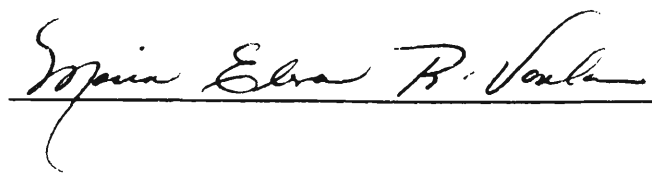
5. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been

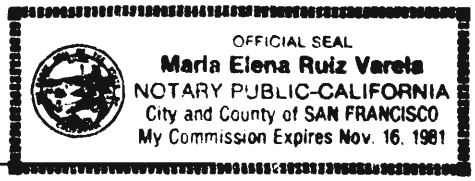
told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. Though I have no specific recollection of dates or persons involved, I believe suggested contribution guidelines were discussed, but at no time was I told by John H. Black or anyone else that a particular amount was required.

6. On the contrary, it has always been my clear understanding that participation in the Fund is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

ROBERT C. METCALF

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.





AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
CITY AND COUNTY OF SAN FRANCISCO)

Kenneth H. Whalen, being duly sworn, deposes and says:

1. Since December 26, 1945, I have been employed by Pacific Gas and Electric Company ("PGandE"). I am currently San Francisco Division Electric Superintendent.

2. From February 1, 1969, to the present, I have been San Francisco Division Electric Superintendent and in that capacity sit and have sat as a member of the San Francisco Division Council.

3. While I do not presently contribute to the Pacific Gas and Electric Company Employees' Good Government Fund ("Fund"), I did make contributions to the Fund in earlier years.

4. No PGandE officer, manager, or employee has ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the fund. I have never used such tactics nor have I ever instructed or been instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the Fund, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the Fund. While initially a suggested amount was advanced, it was only a suggestion without any indication of it being a required

amount; nor was it connected with any threats or evidence of coercion or force.

5. I recall receiving a written statement describing the Fund and its voluntary nature at or about the time the Fund was first introduced. I also recall receiving the attached letter from W. J. Farrell dated August 6, 1975, together with fact sheet. I did not then or now feel forced or coerced to contribute by nature of that letter or attachment or any other oral or written statement from any person.

6. On the contrary, it has always been my clear understanding that participation in the Fund and the extent of such participation is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment. It was and continues to be my feeling that a political contribution program such as the Fund is an essential Company activity. This form of involvement in the political process serves both my best interests and those of the Company.

Kenneth H. Whalen

KENNETH H. WHALEN

Subscribed and sworn to before me on July 9, 1980, in San Francisco, California.

Maria Elena R. Varela

OFFICIAL SEAL
Maria Elena Ruiz Varela
NOTARY PUBLIC-CALIFORNIA
City and County of SAN FRANCISCO
My Commission Expires Nov. 16, 1981

AFFIDAVIT

State of California)
) ss:
City of Fresno)

William A. McCandless being duly sworn, deposes and says:

1. Since January 1955 I was employed by Pacific Gas and Electric Company ("PGandE"). Prior to that time I was an employee of Coast Counties Gas and Electric Company. From 1967 to 1977 I served as Marketing Manager, San Francisco Division and in that capacity sat as a member of the San Francisco Division Council. I retired from the Company on February 1, 1977.

2. I did contribute to the Pacific Gas and Electric Company employees' Good Government Fund ("FUND").

3. No PGandE officer, manager, or employee ever used physical force, job discrimination, financial reprisals, or the threat of such force, discrimination, or reprisals to secure or attempt to secure contributions from me to the FUND. I never instructed nor was I instructed to use such tactics and have never been told by any present or former employee that such coercion was used by anyone in the Company in order to secure contributions to the FUND. While there was no expressed or implied coercion or force, nor even a subtle hint of such, whenever a Company program which may involve employee participation, such as the FUND, was presented by a Company representative, I felt, that as a loyal employee, I was obliged to give it serious consideration.

4. I have never been instructed to force or require or attempt to force or require any employee to contribute a specific sum to the FUND, nor have I personally done so. I have never been told by any current or former employee that he or she was forced to contribute a specific amount to the FUND. Although a suggested guideline of approximately $100 per year was discussed amongst

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the Division Council, I was told each time the FUND was discussed by John Black or anyone else that participation and the extent of such participation in the FUND was entirely voluntary.

5. It has always been my clear understanding that participation and the extent of such participation in the FUND is voluntary and will have no bearing on an employee's compensation, classification, promotion, job responsibilities, or any other aspect of employment.

William A. McCandless

WILLIAM A. McCANDLESS

SUBSCRIBED AND SWORN BEFORE ME ON

July 8, 1980 in Fresno, California

Jerry J. Wong

OFFICIAL SEAL
JERRY J. WONG
NOTARY PUBLIC, CALIFORNIA
NOTARY BOND FILED IN
FRESNO COUNTY
My Commission Expires July 17, 1981

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5/21/80

Dear Ex fellow Employee: THIS COULD HAPPEN TO YOU!!!

After 11 years of hard work for the company, when I was "fireproof, I wasn't. I never received the June 21st letter, as I was in the east from June 12th through July 16th.

The following things happened:

1. I didn't get my June expense check until October
2. I didn't get my vacation pay until October, from the Labor Commiss
3. The State of Nevada had to force PG&E (PSE) to pay me 32 weeks of disability at $146.00 per week (just ran out)
4. I didn't get my first retirement pay until December (due July 1st)
5. I didn't get my stock until December.
6. 1st Disability check in September, due August 1st, they said, not June 21st.
7. They opened my 1st class personal mail after I was fired, and then mailed it to me with buck slips. (violation of postal regulations
8. They lied to the labor commission about my whereabouts.
9. My retirement pay is $321.06 per month. That is my total income!!
10. They harassed me all over the country with wrong addresses, lies about me, making me come to SF to get my retirement card. then telling me I couldn't have it, are still mailing to at least 3 addresses. Room 743 still sends me mail, even though I asked Pete Gerstle to ask them to stop.
11. PSE Credit Union confiscated my $2,499 of savings, then threatened to foreclose my motor home. (may still do it)
12. PSE Let me pay $3,700 more than book for the motorhome last June than book value (they looked in the wrong book)
13. My car was repossessed.
14. Bank of America bounced 11 checks on me
15. Barclays Bank is suing me for over $1,300 for a bill I don't owe.
16. My soon to be ex-wife got a default judgement against me in December because I had no money to hire an attorney. She has stolen over $70,000 from me (sold my dad's stamp collection worth over $70,000 for $500 after breaking into my locked file cabinet.)
17. I collapsed 8/27/79 in St Mary's hospital, Reno, from stress, was in a coma, alone for 2 days in October in Reno, collapsed for 24 hours last Christmas day, and can't sleep, eat, or afford to live right now, and I cannot get a job.
18. The company owes me over $1½ million on a suggestion to convert th fleet to Propane, or natural gas twice, and will not even let me know 20 vehicles are on test in Belmont. This is a violation of the suggestion plan. I made it twice, and they can't find the 1st one, so will claim they only owe me $25,000. I was on the Suggestion Committee for 4 years.
19. I was demoted, as soon as John Black died (even before) in 1977 instead of being promoted as he directed J Cooper, J DeJoung, E Lathrop and J Kinder to do. I have a witness to that.

It is a violation of standard practice 762.3-9

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5/21/80

20. I was forced by John Black to give $100.00 per year to the Good Government fund, plus $25.00 to Terry Francios, which I am told is a criminal offense.

21. They got a Burns Guard (or whatever) to keep me out of the annual meeting on threat of arrest, when I had my proxy in my pocket. I called the S.E.C., and the Commission on that.

22. Two guards almost threw me out of 77 Beale St last week when I was talking to Ted Fuller, editor of the progress

23. Malcolm Furbush, Bob Ohlbach, and Dan Gibson said many insulting untrue things about me at the C.P.U.C. I've got Malcolm on 7 counts of written perjury right now.

24. I never received the yellow tag firing me. I was transferred to th retirement payroll in December, backdated to July 1st.

25. I am now an official protester at the Commission on all rate cases. I have been a witness for the company, on 2 rate cases, in each one at the judges request. I know where all the bodies are buried. I cost the company $121.5 million on the last ECAC TURN cost them the other $100 million.

26. I am going to "blow them out of the water" on that STUPID ZIP program of free money for 20 years or longer in San Joaquin, paid for by the rest of us stupid ratepayers. This will be in the hearings on May 28th. The company will learn that day they are going to have a price fixing anti-trust suit filed against them, perhaps for about $50 million, and not by me. It will be a turkey shoot.

27. I have filed or caused to be filed class action Age, Sex, and minority discrimination suits, Federal and State Political Practices suits, and a Federal Compliance complaint, plus my own Suit, case 10838 dated February 24, 1980 at the commission. It is over 100 pages long, and cost me $269.00 so far to file it. I am my own attorney

28. I had to sell my stock at a loss to keep going, and am about broke, but still fighting.

29. NOW-IF YOU CARE, DO A COUPLE OF THINGS. First, make ten copies of this packet and give it to ten other employees, as I can't afford it. Second, file your own complaints at the following addresses. YOU ARE PROTECTED FROM RETALIATION FROM THE COMPANY BY FEDERAL LAW.

Age Discrimination: EEOC, 3rd floor
Fox Plaza, 1390 Market,
San Francisco, Ca. 94102 Mr. Gale Bosche

Sex Discrimination ditto Mr. Glen Cochran

Minority discrimination ditto and also
and demotion, etc

US Dept of Labor
Office of Federal Contract Compliance
Federal Building Roome 11435
450 Golden Gate Ave
San Francisco, Calif. 94102 Mr. James W Chin

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29. cont'd

Good Government fund forced to give.	U S Attorney's Office Andrea Metcalf 15th Floor 450 Golden Gate Ave San Francisco, Calif. 94102
ditto State	Fair Political Practices Comm. PO Box 807 Sacramento, Calif. 95814 Attn: Jim Mc Manus, Chief Investigator
ditoo, and:	your local District Attorney, or City Attorney
Anything about the lousy way those turkeys are running the company, such as dishonesty by executives, waste, poor job conditions, nepotism, inefficiency, you name it	William B. Hancock, Case No 1083 c/o Diane Elder, Docket Office, 5th floor, C. P. U. C. 455 Golden Gate Avenue, San Francisco, Calif. 94102

30. If you care about me continuing this, please include a buck, 5 or ten bucks with your letter to me, if you want to help. I'll pay you back when I get some money from my wife, or the company if you want to loan it to me. If not, I'll donate anything left over to United way, if you will let me.

Your stock is going to go to "hell in a handbasket" if I continue fighting the company on all fronts. I served with General George S. Patton Jr. as a P. F. C. in 1944-5, and as Mr. Mielke already knows, compared to me, General Patton is a soft pussycat. You should see the letters written about me being mad last June 7th. I wasn't mad, Mr. Mielke, I was just "funnin". If you ever get me mad, mister, it is inadvisable to be in front of me when I start toward you. I am presently doing 22 mph in a 55 mile zone. Don't get me up to 55, Mr. Mielke, or Board of Directors. I do not give quarter to liars and thieves.

The company has successfully kept many papers, and TV stations from printing my story, but it will break and when it does, the public is going to "come off the walls" even if you stockholders don't. Remember:

ONE MAN--WITH COURAGE--IS A MAJORITY!!!!!

I AM THAT MAN

31. They did worse to my friend Bill Cheatham of Personnel since I was fired. Do you care--enough??

William B Hancock

United Way Chairman Savings Bond Chairman SF Chamber of Commerce Soliciter (most memberships in history, won trip to Hawaii	Sweet William or "Wild Bill" Steam System Engineer, Energy Utilization Engineer, Administrative Analyst, SF Div Fired ex-employee

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A complaint was recently filed before the Public Utilities Commission demanding that California's greatist supplier of energy , (P.G.E.), show just cause, or at least give a few good reasons , for the contention that it has had an attitude of negligency over the past decade. Filed by one of it's own retired engineers, the complaint charges the company with bad management and a ten year policy of total complacency towards creeping inflation, impen--ding energy shortages and the projected needs of it's customers.

Robert Ohlbach, of P.G.E.s Associate General Counsel, has been named as a chief defendant in the matter along with the other officers in the company. He has been given 30 days, (since March 5th), to explain to the P.U.C., and the complainant, why P.G.E, when offered a cheap source of energy in the Sonoma Geyser Project, waited instead for the Union Oil Co. to move in and share the contract negotiations with them. He is also being asked to explain why P.G.E, with many different kinds of resources available to produce marketable energy, has taken such great pains to tie it's ratepayers and stockholders to an index based on the price of coal, oil and natural gas. (According to the complaint, O.P.E.C.s control of these prices,enevitably, cost ratepayers hundreds of millions of dollars.).

Describing P.G.E.s management as "woefully inadequate in many areas" the complaint recites a long list of circumstances, past and present, whereby it claims that the different depts. within the Co. have;

1- Willfully ignored the requests of the C.P.U.C..
2- Tried to hide savings from it's ratepayers.
3-Refused to cooperate with other companies, (such as the S.M.U.D.) in trying to lower energy prices through joint effort.
4- Operated antique equipment, (in the Sanfrancisco Area), with total disregard for public safety.

5- Wasted money on systems that never worked.
6- padded invoices.
7- discriminated against people for age, and not ability.
8- Ignored good suggestions from energy conservation minded employees.
9- Stuffed audit programs with inadequately trained personel.
10- Punishing low grade personel for management violations in order to sweep incidences"under the rug"

Continuing, in a dramatic way, its critisims of the way the company treats it's own personel, the complaint charges P.G.E. with ignoring immediate conservation suggestions from it's employees and then using them later without rewarding the person who made them. (The case of reducing the energy use of 77 Beale St., which P.G.E. is now advertising, is listed as one of these incidents.).

Since lack of good management is listed in the complaint as being primarily responsible for the multitude of sins that the Co. is being charged with:it's exibits include a letter from a former division manager,(John H. Black), that seemingly served to delegate his responsibilities to his secretary, B.K. Duffy. According to this exibit, the whole S.F. division was run by a non-executive employee for a year and 7 months.
Another exibit, in the complaint, includes a statement by A.1.J. Gillanders made during a hearing . "I would'nt want to have to spell it out clearly in any detail for the world to read, but ,at this stage of the game, I would have to point out the inadequacies of the internal management of P.G. E.,

All of these management failures,as contended by the complaint, (and including the poor treatment of it's own personel), are related to the present utility rates now paid by P.G.Es customers.

0004023931

Some courses of action suggested by the complainant include;

1- The issuance of subpeona's for the personal records of many, high ranking officials in the company.
2- The auditing of the records of the San Joaquin Division by an outside firm.
3- An ongoing investigation of the Commission of the company's affirmative action program.
4- A cancilation of the company's Energy Audit program until experienced engineers can be hired.
5- The issuance of an order ceasing all commute driving in company cars unless personel are on call.
6- The conversion of gasoline powered company cars to dual fuel vehicles.
7- Submission of a list of all energy conservation suggestions recieved by P.G.E. since 1970.
8- An audit of the P.S.E. Credit Union to determine staffing and quality of personel.
9- Reduction of the size of the design, drafting and engineering departments.
10- Auditing of the "Good Government Fund" by outside auditors.
11- Open negotiations with the city of Alameda to buy their electric system.
12- The stopping of non essential company publications and advertising until cash flow is improved.

SUMMARY

IT'S DIFFICULT TO
SOAR WITH EAGLES
WHEN YOU
WORK WITH
TURKEYS

EXHIBIT P

Case No. 10838

PACIFIC GAS AND ELECTRIC COMPANY

245 MARKET STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

J. A. "ART" FAIRCHILD
DIVISION MANAGER

July 10, 1979

CERTIFIED
NOT RECEIVED
RETURNED

Mr. William B. Hancock
625 Post Street, #609
San Francisco, CA 94109

Dear Bill:

In my letter to you dated June 21, 1979, it was stated that it was necessary for you to contact your supervisor or other authorized Company personnel within a ten day period, beginning June 21, in order for you to have continued employment with the Company. Since you have not attempted to report to work or communicate with us during that time, your employment with the PGandE Company is hereby terminated. Your termination will be made retroactive to your last day of sick leave, June 21, 1979.

BULLSHIT!

In the past your supervisor and I have expressed our concerns about your behavior and offered assistance to you. As an example, on May 9, 1979, Jerry and I met with you to discuss your behavior at the Steam Study Committee meeting the previous day. During our meeting, we expressed our concern and offered the services of an Employee Assistance Counselor to you, LIE which you refused. After your actions of June 7, 1979, we again attempted to arrange a meeting for you with an Employee Assistance Counselor to advise and assist you. We went so far as to schedule a subsequent appointment for you for examination by our Company LIE physician. We attempted to arrange this through your physician, Dr. Robert Kimmich. You refused to meet with the Counselor and go to our Company doctor. You have not communicated with me or your supervisor since that time. You also continued to perform unauthorized activities contrary to our instructions while on sick leave. HOW COULD I??

BULL

Please forward your Identification badge and Company keys to me as soon as possible. Your payroll check for the month of June 1979 is enclosed, as well as your personal check for $70.00 that you forwarded to Mr. F. W. Mielke with your letter of June 7, 1979.

It is necessary for you to complete Company forms concerning the final disposition of your participation in the Employee Benefit Plans to which you belong. As soon as these have been prepared, they will be forwarded to you for completion. A check for any unused vacation that you are entitled to will also be mailed directly to you.

Sincerely,

E. V. Lathrop

E. V. Lathrop
Division Marketing Manager

EVL:kmn
bcc: RAClark
JSCooper
JAFairchild

EXHIBIT R Case No. 10838

June 11, 1979

Mr. E V Lathrop

Mr. G Tyson has been harassing me about my work since May 2, 1979. I have tried to conform to his wishes, but they change every time he talks with me.

I have an appointment with my doctor June 12, 1979 to discuss the situation. I will submit the doctor's recommendations as soon as I have talked with him.

William B Hancock

William B Hancock
Energy Utilization Engineer

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WBH: Please bring in for NISA seminar
Thanks 5/9

5/8/79

Gerry:

I would like to request two weeks off without pay for personal business on the East Coast starting Monday May 14, 1979. I have nothing pressing, as my seminar this Friday will be over, and there is nothing scheduled that I know of, that must be done. I would appreciate this as my dad is 89 years old and in good health, but I can visit him while there on the business. I would rather see him alive now, that go back to a funeral later. Thanks for the consideration.

Bill Hancock

REFUSED!

WOULD HAVE SAVED ME FROM BEING FIRED!

&

LOSING $70,000 PLUS $20,000 THIS PAST 11 MONTHS

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FILED
PUBLIC UTILITIES COMMISSION
MAR 3 1980
SAN FRANCISCO OFFICE
NO. 10835

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WILLIAM B. HANCOCK and numerous John Does (up to 1,000)

VS.

PACIFIC GAS & ELECTRIC COMPANY

Case No. _____

I have asked the Commission Consumer Affairs staff to help me resolve this matter informally. Yes

COMPLAINT

The complaint of William B. Hancock, 533 Sutter Street Suite 900, San Francisco, California, 94102, phone (415) 982-7375 respectfully shows that:

1. Defendant is Pacific Gas and Electric Company, and its Officers.

2. I allege that the management of Pacific Gas & Electric Company (hereinafter called P G & E) has been woefully inadequate in many areas of company operation to be described in succeeding paragraphs under subtitles.

3. The Geysers Geothermal Project. During the 1960's two companies, called Thermal and Magma engaged in drilling at the Geysers in Sonoma County. When they were sure of sufficient steam supply they then offered the product to P G & E. In 1970 a contract was negotiated between Union Oil Company, which had moved into the area with Magma & Thermal and P G & E which tied the subsequent cost of steam to a relatively complex formula which calculates a price for steam that is based upon P G & E's prior year fossil and nuclear fuels costs. At the time, P G & E had one small nuclear plant located in Eureka California, with a capacity of about 66 megawatts.

3. (cont'd) This contract and the P G & E/SIGNAL (AMINOIL) contract, negotiated in March 1973, both contain the same clause. Contracts negotiated 4/76 by the Northern California Power Association/RFL (since bankrupt) were tied to the changes in the CPI. The NCPA/SHELL contract in 6/77 was tied to the GNPIPDI (Gross National Product Implicit Price Deflator Index) by semi-annual escalation. The SMUD (Sacramento Municipal Utility District) contract known as AUSA/SMUD Geothermal Steam Sales Agreement contains clauses effective 7/1/78 relating the price to a formula that is .75 GNPIPDI divided by a factor, plus .25 of a formula of PPIFRRP divided by a factor. (current intent-average weighted price changes over time at the producer level for Coal, electric power, Gas Fuels and petroleum products defined) This is to be adjusted on a semi-annual basis.

SMUD's contract also relates to SMUD's cost of hydro power, the cheapest source of electric energy.

PG&E's contract has tied the ratepayers and stockholders to an index of coal, oil, natural gas, and perhaps some other directly related petroleum products, (propane, butane, etc.) The cost of Oil, controlled by OPEC has raised prices to PG&E by a multiplier of 9, according to recent company infromation. The cost of natural gas, particularly by Canada, has increased from about 40¢/mcf in 1970, to about $4.65 according to the recent Canadian election, which is 11.6 times. The cost of coal, mainly controlled by the oil companies has escalated by at least a factor of 6, and when it is finally delivered with environmental restrictions, may be in the range of 10 times.

3. (cont'd) The net result of the PG & E management choice will cost the ratepayers many hundreds of millions of dollars. For example, the Geysers is soon to be a 1 million megawatt system. This is a system run as a "base load" plant, which means that except for maintenance, the turbines turn 24 hours per day. Assuming 15% for down time, 850,000 megawatts of power are being generated at a cost of up to ten times more than a contract tied, for example to PG&E hydro included would have cost. The management of the company and the directors as a group should have had sufficient information at their fingertips in 1970, and certainly by 1973 that a finite resource such as oil, and natural gas, would, in an expanding world economy be priced higher, than would the cost of hydro, and other alternate sources of power. PG&E knew earlier than 1970 that building a nuclear plant was at least a 6 year project, and that with the Bodega Bay incident, where environmental problems caused them to abandon the many million dollar hole in the ground, that a nuclear plant would take longer to build, and cost more than 1970 estimates.

Plaintiff is not aware if all contracts for each new plant (there are at least 16) contain the same clause. Plaintiff maintains that PG&E should not sign new contracts for each new plant on the same basis. Plaintiff also maintains that once the Geysers field was proven that P G & E should have set up its own drilling company. This is based upon PG&E's operation in Canada, where the Company, through subsidiary companies owns the wells, fields (or leases them), the production companies, the pipelines, and pipeline companies, from Canada to California. In addition, while bemoaning the high cost of Canadian natural gas, it must be remembered that the subsidiary companies are benefitting from that very high price.

3. (cont'd) PG&E is very proud of the Geysers, and has contributed to it being the largest geothermal project in the world. They expect it to be 2 million megawatts by about 1985. When the other utilities, such as NCPA and SMUD decided to enter the Geysers, PG&E immediately refused to consider wheeling power, and caused in part, the NCPA anti-trust suit against the company which is costing rate and taxpayers all over Northern California to bear the cost of expensive litigation.

Astute management would have immediately cooperated with the other utilities, which could have had the effect of reducing the unit costs of all utilities. In addition, pooling of drilling, leasing, power lines, transformers, etc, would have cut costs further.

4. San Francisco Steam Sales System. PG&E operates one of two steam sales systems in California, the other is operated by San Diego Gas & Electric as part of its power plant operations. PG&E's system does not use cogeneration as it did in earlier years. PG&E phased out its Oakland system during the past decade at a great cost to the company in installing boilers in all previous steam customers premises.

The bulk of the system underground was installed prior to 1917, about 70%. It has not been upgraded or maintained properly. In approximately 1973, the CPUC in granting the first rate increase since 1958 reduced the loss allowance for unaccounted for steam to induce the company to upgrade the system. The Company ignored the commission request, and instead proceeded to add another boiler, number 7, which was to cost about $600,000. (Boiler no. 6 had cost about $300,000, installed about 1972. Boiler No. 7 was installed at a cost in excess of $3,000,000, and was improperly designed by the company's in-house engineering department in many respects. For example, no provision was make for pipe expansion, and when fuel oil was being

4. (cont'd) pumped, a valve not properly designed allowed fuel oil to overflow onto the floor of the boiler house. This was later corrected, at additional expense.

The CPUC wisely disallowed the addition of boiler no. 7 to the rate base. In addition they disallowed most of the allowance for administrative and general expense, reducing it from the PG&E requested $205,400 to $21,000, a savings to the ratepayers of $184,400, which the company will find somewhere else to hide.

PG&E added to the staff a Steam Superintendent during the early years of 1970-74, and kept him in the position until about 1978. As soon as he had testified in the rate case, the management decided to abolish his job and that of the steam foreman, who was retiring. They transferred the servicemen from the Steam Distribution section and made them regular gas department servicemen. As a result, maintenance on the system has been reduced to "patch it up when it leaks.". Steam can be a dangerous product, and it is possible that a major leak in the street or in a building could cause injury. In New York, a bursting steam pipe on Con Ed's sytem resulted in the death by scalding of a building occupant.

In the decision in Rate Case A 57202, issued Feb. 13, 1980, the Commission concluded that the company should continue to be penalized for unaccounted for steam. In addition they were allowed $394,800 instead of the $1,131,900 requested.

The system metering problems have been another contributor to losses. The present water meters, patented in 1906, are subject to great inaccuracy if not properly maintained. During the years 1970 to 1972, the company collected over $100,000 from Bank of America, General Services Administration, Standard Oil, and the Hilton Hotel,

4. (cont'd) when discovered by a new employee. In addition, the same employee negotiated a new contract with the Hilton Hotel in a base amount of just under $1,200 per month, for "open jet" unmetered steam.

The company then installed at an expense of over $37,000 (on an estimate of $10,000) a new metering system called "shunt flow" in the garage of the Hilton. The meters never worked, and were abandoned in place. No attempt has been made to correct or calibrate the meter. The expense should be brought up to date, and charged to stockholder expense until the meter is working. It was intended to install 12 of these meters on the 12 largest customers.

The new boiler, no. 7 was operated during its first year of operation less than 450 hours. It is only slightly more efficient than boilers 1 and 2, which were built over 70 years ago and transferred to San Francisco about 1920. 1 & 2 are the only units that can be "cold started" and do not require steam driven auxiliaries.

The system, properly run, could contribute to energy conservation in the downtown area. By tying it in to other customer boiler plants, and sharing energy, many downtown buildings that operated their boilers at 15 and 20% year round efficiency. Much less air pollution would occur. The system would be ideal on the new Yerba Buena center, which will have a very great load variation. In addition, the City and County of San Francisco operates a steam system in the Civic Center which could be interconnected to the system, which terminates on Hyde Street, less than two blocks away. This would reduce oil truck traffic in the down town area, and cut down maintenance costs in the buildings connected. It is interesting to note that Standard Oil Company is served in both new buildings, and when their boilers on 225 Bush Street wore out, they connected to the steam system.

4. (cont'd) If the system density were expanded, the unit cost would go down. In addition, much of the old pipe underground would be replaced at customer expense. The steam rules require that the customer pay the share of the pipe he uses. In some cases, the company discouraged new applicants such as the Tishman Building, 333 Market, 444 Market, and other large buildings with very high reinforcement charges.

The system has been an "orphan" for most of its 70 years of operation. Only commission action can change it.

5. The San Francisco Gas Department. This department is quoting unrealistic joint trench costs for opening trenches in common utility areas. In one instance a cost of about $28.00 per foot was quoted, and refused by the other joint trench members. A private contractor did the work for less than half the company price. The department is greatly overstaffed (circa 1979) for the work it has to do, and crews are sent out overstaffed, and with inadequate planning. The entire department should be audited, and compared with the San Francisco Electric department. This is historic through the company and this Division could be used to remedy the problems for the rest of the system.

6. San Joaquin Division. This division was the scene of two recent misuse of company funds and equipment. In the "Bass Lake Cabin" incident, company personnel and materials were used on a cabin which is occupied by a manager, in an improper manner, according to company rumor. In the other case, it was discovered that General Services personnel were involved with suppliers in "invoice padding", and sharing of other booty. Both incidents were known to "senior management". A low grade employee who was not directly responsible was singled out and transferred as punishment, and the incident "swept under the rug".

6. (cont'd) Both of these incidents are knownto many employes, and the effect on morale is devastating. They feel that if managers are not punished, then why should they be honest.

7. Affirmative Action. PG&E is proud, and rightly so, of its efforts to meet parity in the work force for minorities. However, when you exam/ine the upward mobility, mandated, by government order, both for minorities and females, the picture is entirely different.

At staff meetings all over the company the appearance of a woman, or minority person is noticably lacking, except for clerical, and secretarial help. The conscious and unconscious attitude of many supervisors and managers, uncorrected by "senior mangement"by both directive AND action does not encourage what the government requires.

The company is also guilty of age and sex discrimination against many employees. This will be addressed in a later paragraph.

8. Energy Audits. The company convinced the commission to allow a $62 million expense to establish a new section. This expense, which includes the school audit program, which is a shambles, allowed the hiring of untrained auditors who are supposed to go out and advise sophisticated building owners how to save energy. The program cannot succeed, except in generating masses of paper and computer runouts, possibly using more energy than it saves, including travel and other expense. The program is run by managers who have no real skills in marketing or engineering. It is a case of the blind leading the blind.

9. Automotive Department. The company owns over 14,000 vehicles, and has been renting many more until the recent cash squeeze. Cars purchased are "bare bone" uninteresting gas guzzling monsters, which, without radios and other amentities, bring a very low auction price. In addition, employees not in operating departments, low level supervisors, etc, are allowed to take them home at night, on the excuse that they

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9. (cont'd) are "on call". In addition many general office personnel take them home, particularly on week ends, when rental cars have been rented to fill the demand, because they will be somewhere else on monday morning. This is bad management, and contributes to the energy shortage. In the Bay area alone, during a recent fiscal year, in category 7101, passenger cars, 14,079,303 miles were logged, consuming 867,703 gallons, and in 7105, pick up trucks, 18,397,123 miles consuming a total 1,611,422 gallons of precious motor fuel. Plaintiff estimates that this fleet could be reduced by half with no effect on actual production of gas, electricity and steam.

The company also does not keep vehicles until their useful life is over, using an arbitrary figure of mileage or age, regardless of condition. The most striking example was the auction of Shermer Sibley's Cadillac Fleetwood Brougham for $2,700., when it was still in "like new" condition

The company is also the largest utility in California still using gasoline as a motor fuel. So. Cal Edison uses natural gas, along with San Diego G & E, and Pacific Lighting and So Cal Gas Co. An employe suggested the company convert to LNG, CNG, natural gas, or Liquid propane. The Automotive Department turned the suggestion down without any study. The suggestion was made again on May 7, 1979, and no action was taken. On June 3, 1979, Commissioner Sturgeon phoned Chairman Mielke, and suggested that he look into it. Commissioner Sturgeon has used butane on his dairy trucks for about 25 years.

The company then conducted a 6 month study of a clean air fuels certified by the Air Resources Board, and is converting 20 vehicles in Belmont to test. The 6 month delay has kept the vehicles immobile, since all equipment is installed except the carburetors, which are on back order, partially because of the delay.

9. (cont't) PG&E also will not use some special trucks designed for the utility industry, preferably to use their own, semi-exclusive design, which is more expensive. This practice should be stopped unless the company can justify it by over all industry studies.

The company is in a cash flow problem at present. Reduction of the automotive fleet, and keeping vehicles on propane twice as long, could cut cash requirements for new vehicles, and generate cash from vehicles sold off. The emission reduction using propane is startling. Conversion of just 2,800 vehicles would yield enough "emission trade offs" (in a non attainment area) to build the proposed Potrero power plant. Driving vehicles just 7,800,000 miles per year would also do it. Since they are driven 31,000,000 miles, the credit could be used against other plants, or sold to other industries. Propane powered vehicles can have a useful life of 10 years. The latest company estimate of savings per year by conversion was stated to the plaintiff on Feb. 21, 1980 as $10,000,000. This is a little low, if properly applied, but does not include the emission trade offs, or the benefit of improvement in cash flow position.

Finally, the automotive department is staffed in the main by people not skilled in the industry, and many practices could be reevaluated to improve efficiency. Cooperation with other utilities could lead to this.

10. Suggestion Committee, and Plan. PG&E is one of the industry leaders in this method to improve efficiency. However, in many cases, suggestion made by employes are rejected, then later applied and no award paid. One of the worst cases is when two San Francisco Division Customer Services Employes made suggestions about reducing the energy use of 77 Beale Street. The company rejected their suggestion and is now advertising the savings at 77 Beale.

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10. (cont'd) This is similar to the United Airlines case some years ago. Some employes made a suggestion that saved the company $20,000,000 the first year. They were awarded $500.00 each, and sued. The court award was in excess of $750,000. Then PG&E and many other companies put a top limit on awards, in PG&E's case $25,000, with 20% of the first year's savings, versus 15% before. This means that the employe with the $10,000,000 savings on Liquid Propane will receive a maximum of $25,000, instead of 20%, which would be $2,000,000, or, under the old plan when the suggestion qas first submitted, 15% or $1,500,000. The intent of the plan is to save the company money by improving efficiency. Employes become very discouraged when they learn of cases like this. The employe in this case has never been advised by the company of the test being conducted or contacted about a possible award.

11. General Construction Department. This is the department, not duplicated in many other companies that is supposed to save the company money on construction costs. It is quite typical for GC personnel to be laid off and rehired many times. This contributes to poor crew teamwork, and the loss of the best employees. In addition, green crews on important projects contribute to higher costs. In the case of the San Francisco Steam System, almost all reconstruction jobs are handled by new crews who have to be taught the unique characteristics of steam work, so they get on the job training at ratepayers expense.

12. Pacific Service Employees Association, and P. S. E. Credit Union. This is supposed to be a separate entity, but employes are promoted into the Union from the company who have no experience in credit work at all. At least one Union car is parked in the 77 Beale Street garage. The Union occupies high priced rental space at 345 Mission Street after having been thrown out of 245 Market street because of the "Empire building" of a Vice President, and moved at great

12.(cont'd) expense. The interest rate paid is lower than that of the San Joaquin Credit Union that is apparently more efficient and has less personnel.

For some years, the collection efforts of the Union left a great deal to be desired. Then a new man was moved in, from the San Francisco Division Electric Department. He has in one case, violated Union regulations by confiscating the savings of an employee who was still a member of the Union to offset a loan balance. In addition the same loan, the Union loaned $10,900 to an employee on a vehicle with a blue book value, retail of $8,105.00 in 1978, and $7,140.00 in 1980. They apparently did not consult the right blue book, and advised the employee that a price of $12,500.00 would not be too high. The employee is stuck, or course, with the approximate $3,700 loss. They have not acknowledged the employee's complaint, and threatened to repossess the vehicle after they had confiscated $2,499.00 of the employees savings, which would have made over 8 monthly payments.

13. The Personnel Department. The department is staffed in the main with people who are not qualified personnel people by training. For many years the company did not have a personnel department, and they have paid lip service to it in recent years. One employee improperly handled the applications of two minority persons and as a result the company was fined $2,600.00 to be paid to each applicant. The employee in question was given raises to the top of his level, and then demoted two levels, but not transferred from sensitive personnel work

Department policy is to maintain lists of promotable people to be supplied when a vacancy occurs. No one is allowed to know if they are on the list, and frequently a person not on the list gets a good job. In one instance a person who was not among the 34 persons on the list was given the job, creating many morale problems. This is a rather

13. (cont'd) common occurence, particularly if the person has the "right connections" defined as either political or nepotism.

The college recruiting staff have also cost the company many problems. In one instance in the early 1970's a graduate was recruited with glowing descriptions of his function. In three weeks after observing his fellow employees, he wrote a blistering letter of resignation, which was ignored as to substance and content.

In a second instance a man with a Masters degree in Engineering was recruited from a mid western college, with glowing descriptions of his job, salary and function. In less than a year he had realized the situation, and followed another dissatisfied employee to the telephone company with a $400.00 per month increase in salary. The costs to the rate payers of this kind of incompetency is very high.

In a third instance an employee approached the man who controls the selection process to discuss his opportunities for promotion. He was almost fired for doing so, and only saved his job by appealing to a friend in high places. He has, however, never been promoted in the past 8 years.

Of all the departments in the company, this one should adhere to the idea of upward mobility of minorities and women. With the exception of one minority person, depicted as the "show _____" by company executives (he drives a Jauguar XJ-6) the department is "lilly white", and devoid of high level females.

In addition, the department is not consulted when an executive decides to promote someone with the "right connections". In this instanc the person was put into a politically sensitive position in San Francisco to influence legislation at the City and County Level. His only qualifications were residency, two degrees, and membership in the Olympic Club. After three years on the job, in which he was a total

13. (cont'd) failure (but retained by his superior because of his high connections) he became known as "giggles", and was regarded with contempt by other lower level employees. In addition, he was completely unknown to Mr. Bob Dolan, previously the clerk of the Board of Supervisors of the City and County of San Francisco.

Finally, after about 3 years on the job, he was allowed to transfer back to his old department, and put on "special assignment" reporting to the Vice President. During all the time of his known incompetency, he recieved better than average raises, and is presently occupying an office with a view of the bay in 77 Beale street with no defined functions or responsibilities.

In another case, an employee who falsified his expense account listing attendance at Lion's Club meetings, and used company cars for personal business was never disciplined because of his friendship with two vice presidents, one recently retired, and the other now in a very high level position. He has always been able to be drunk on the job, leave early, take three hour,5 martini lunch hours, and not be disciplin because of his connections. The effect on morale of his fellow employees is incalculable. He is occupying a position that requires an engineering degree, but does not have one.

14. Engineering and Design Drafting Departments. These two departments, who brought you the Diablo Canyon, Bodega Bay, Boiler 7 and numerous other fiascos, including 77 Beale Street have been expanded to a bloated level to design the new Potrero power plant, the new coal plant, and the valley nuclear plant. Not content with the failures in design most evident at Diablo, and San Francisco Steam, plus the Eureka nuclear plant, they are now determined to produce blueprints to equal in weight and cost the value of each plant before it is built. They have been expanded in recent years to a cost

14. (cont'd) effectiveness that is rapidly approaching zero. Most utilities utilize outside engineering firms, such as Bechtel, Stone and Webster, United Engineers, G. M & T. R. Simonson (who did do the mechanical and electrical design on 77 Beale) Bentley Engineers (who did the lorise between 77 Beale and 245 Market) and who have technical expertese far surpassing any in-house engineering group. Mr. C. A. Miller, a Department head at PG&E once stated to the plaintiff, about the San Francisco Steam system design (when he was head of the San Francisco Division Gas Department) PG&E never does anything first, (which is not true, for example the Geysers.) The fact is that the present management of PG&E if you call call it that, (see paragraph 15.) is noted for its ability to hide its head in the sand.

Design drafting is also famous for another employee, who caused unionization of the clerical section, and a discrimination lawsuit, and is now safely promoted to a subsidiary company as an executive.

15. Management (or lack thereof), and Management by Objectives. PG&E is a conglomerate of many companies, which, starting many decades ago were founded by brilliant, innovative men, and a predecessor company started the first (before Pearl Street, New York) electric generating plant in the United States. PG&E is today run by a man with no operating experience, a lawyer by degree. The last Chairman and Chief Executive Officer, Shermer L. Sibley died under rather mysterious circumstances on a fishing trip in the north west. For many weeks the company took no action to replace him, and the company drifted, rudderless, until a new appointment was made, and the job split among two people, Chief Executive Officer, and Chief Operating Officer.

In January of 1976, John H. Black, Division Manager, San

15. (cont'd) Francisco Division (nephew of a former President, James B. Black) became ill with terminal cancer. He was in and out of the hospital, and on chemotheraphy until July, 27, 1977. On that date, he issued a letter appointing the Division Marketing Manager, E. V. Lathrop to "make decisions that involve more than one department or any correspondence normally signed by the Division Manager" Also "This will include payroll authorizations and other decisions".

During the entire year and seven months, the division was run by Mr. Black's secretary, Mrs B. K. Duffy, who was at a non-executive or supervisory level. The Division is one of the largest and most sensitive in the Company as it is located in the headquarters city. (Exhibit A)

Mr. Black was responsible for establishment of the San Francisco Steam Division Steam Sales Task Force, and for establishing the position of Division Steam Superintendent for steam distribution only, reporting to the Division Gas Superintendent. Within months after Mr. Black's death, the Task Force was abolished, and the Steam Superintendent transferred to another position.

On page 260 of the official transcript of Steam Rate Case A-57202, ALJ Gillanders commented:(Lines 19-27, Exhibit B) "Gentlemen and this Commission's job is to second guess management and to point out, like the staff is doing, you should never authorize -- your management should never authorize Boiler No. 7, and it is my job to tell the Commission, based on the record, management has been dilatory, if the record shows. They have a program authorized, but they are not following it and they should and we will order you to proceed posthaste with putting in the new plant". He further stated (Page 410, Lines 18-22) "I wouldn't want to have to spell it out clearly in any detail for the world to read, but at this stage of the game I would have to

15. (cont'd) point out the inadequacies of the internal management of PG&E, their failure to look, again, at Boiler No. 7.

I would have to recommend to the Commission that we adopt the the 9.35 rate of return; set rates on that basis; ask your stockholders -- order your stockholders to -- well, either order PGE&, give them the option of filing tariffs to produce that rate of return or so your steam system is not a burden on the gas and electric customers or swallow the difference"

Plaintiff asserts that not only in the steam system, but in the water systems, PG&E has for many decades treated them as orphans to the detriment of ratepayers, stockholders, and the General public. (Exhibit C, Decision No. 91325, February 13, 1980, Pages 27-29)

Plaintiff further asserts that the mismanagement of the Steam and water systems is carried over into operations of the gas and electric systems.

Management by Objectives. This program, pioneered by Peter Drucker, and refined by General Electric and IBM was picked up the second time around by Mr. Ellis B. Langley, then Manager, San Jose Division. When he became Vice President Division Operations, Mr. Langley proceeded to attempt to install it in the 13 operating divisions. It was greeted with derision by division personnel as "the latest numbers game", requiring quarterly reports on progress. Control of the reports was handled in a sloppy manner, with each Division selecting its own items for a long period of time. The program has not been effective, as most Division Managers regarded it as ineffective since it was not issued by "senior management", and backed by the Chairman of the Board, and Chief Executive Officer. Plaintiff is not aware of the effectiveness or ineffectiveness of the program since 1977.

15. (cont'd) Following Mr. J H Black's death, his position remained unfilled for some period of time. It was filled for a short period by Mr. H McKinley, who was then promoted to Vice President, and then, after a long search, filled by Mr. J A Fairchild, who has had very little major supervisoral experience, and who has not been exposed to the political climate in San Francisco. He has proven to be an ineffectual manager in the opinion of many of the personnel in the Division, which is the real measure of a manager's effectiveness.

Mr. E. V. Lathrop, Marketing Manager is another prime example of management ineffectiveness, in the opinion of his directly supervised employees. He arrives at work about 7 AM, was observed having coffee in the company cafeteria about 7:45 AM on February 21, 1980, and leaves work about 4:30 to 4:45 PM, to "beat the rush" on the Golden Gate Bridge. Company regulations normally require all Department Heads in a Division to live within the geographical bounds of the Division. Mr. Lathrop, along with most other San Francisco Division Department heads lives outside the city. He was formerly marketing manager of North Bay Divsion, headquartered in San Rafael, so has been allowed to continue to live in Marin County. Mr. Lathrop along with the other department heads, drives a company car home every night, and does not reimburse the company for personal mileage, to plaintiff's knowledge. There is also no reason for a Marketing Manager to need a car at home, since he is not an operating man, and would be ineffective in an operational emergency. This is another example of cost to the ratepayers, duplicated hundreds of times throughout the company.

Mr. Lathrop supervises Mr. G Tyson, CIA Supervisor. Mr. Tyson was reprimanded in the early 1970's for driving a company car home, while his car was being repaired, not paying for mileage for personal use, and then charging mileage on his personal car while it was in the

15. (cont'd) garage. A letter was placed in his personnel file by his supervisor at the time. Plaintiff request that the letter be produced in Causes for action. This is an example of dishonesty that causes low morale when known by other employees. Mr. Tyson also supervises Graduate Engineers, but to plaintiff's knowledge has neither an engineering degree, or any supervisoral training. He was judged to be a poor supervisor by his former boss, since early retired. Plaintiff also request copies of Mr. Tyson's personnel records and appraisals.

The appraisal system also requires that each employee be told by his supervisor once a year with a signed document how he is rated, and is to be counseled for improvement, if required. Many employees have never been told, in one case in 33 years of service.

16. Nepotism. The company is rife with it. Mr. W R Cheatham in conversations with plaintiff during 1974-76 stated that he first asked employees for recommendations of friends or relatives. Mr. John H. Black was one example of a man who got to the top by charm, and with a small assist from being a relative. Mr. Joseph Y. DeYoung, Jr. son of a Vice President, has moved very rapidly, as have many other namesakes. What supervisor would give a bad rating to the son or relativ of a Vice President or manager? This is not to imply plaintiff's personal knowledge of Mr. DeYoung, Jr.'s effectiveness, nor to denigrate him in any way.

Many other examples of favoritism could be cited, but in Causes for Action, plaintiff request subpoenas of many personnel records of employees by the Commission for independent examination.

17. Good Government Fund, Political Action Committee. Political Action Committees were authorized about 1975-7. Prior to that time, staff members were advised by supervisors when to write checks to political candidates. After PG&E's "good government fund was

17. (cont'd) established, Managers could direct staff members how much to give, up to $100.00 per year for Political action. Plaintiff visited Secretary of State March Fong Eu's office in 1979, and made copies of many pages of reports filed by the Good Government Fund. An audit report, filed by a committee which contained Governor Brown's brother in law, Joseph Kelly, (Exhibit D) states, in part, that "It supports any candidate whose views coincide with that of the enrolled membership. Page 8 of Schedule E contains a contribution to Citizens for Hayden Committee, which plaintiff believes is Tom Hayden, husband of Jane Fonda, and an anti nuclear person. Plaintiff does not feel that PG&E employees who contributed all wanted to support Mr. Hayden. Also attached are pages 4f, and 4b. Plaintiff notes that an interesting pattern of giving is demonstrated. On page 4b, except for Thomas Riddle all employees at that time reported to Mr. J H Black who is number 2 on the list and contributed $100.00. One page 4 f most managers and engineers contributed $80.00. Plaintiff feels that the pattern which can be verified by examining the complete reports on file indicates that suggested amounts to give were the "order of the day". Plaintiff is personally aware of one employee who will testify under oath that he was told what amount to give on two separate occasions (Exhibit E).

18. Procedures and Organization Department. In most well run companies, this department, also sometimesknown as an Efficiency Department reports to "Senior Management", or the Chief Officer. It must be independent, and able to conduct studies of operations with cooperation of the personnel involved. In prior years, after the company bought out San Joaquin Power and Light, plaintiff has been told it was headed by Mr. Jack Horton, now Chairman of So. Cal Edison.

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Case NO. _____

COURSE OF ACTION REQUESTED BY COMPLAINANT:

1.That the following letter (exhibit g) be sent to all employees.

2. That PG&E be ordered to open new negotiations with Geysers Steam producers and the company be ordered to commence drilling for steam wells on its own for future supply.

3. That the CPUC investigate the steam meter installation at the Hilton Hotel, and order the company to remove all moneys spent from expense or rate base and charge them to stockholders expense.

4. That the CPUC order subpoena's for the personnel records of the following persons, and make them available to complainant for study:

S L SIBLEY, FORMER CHAIRMAN	J KINDER, SF DIV.
J F BONNER, FORMER CHAIRMAN	J A FAIRCHILD, SF DIV
R H PETERSON, FORMER CHAIRMAN	E V LATHROP, SF DIV
E B LANGLEY, JR,, VP, DIV OPS, OR EXEC. VP	W W WEISS, SF DIV
J Y DeYOUNG, VP	J R WUNDERLICH SF DIV
J Y DeYOUNG, JR, CIA SUPV.	W W BROWN, SF DIV
grant radford, div mgr.	G TYSON, SF DIV
j h black, (DEC'D) SF div. mgr.	RE McKILLICAN, SF DIV
J H COOPER, VP	M BLOECHER, SF DIV
R CLARK, LAW DEPT	J KINDER, SF DIV
J MORRISSEY, LAW DEPT, (RET)	W A McCANDLESS (RET), SF DIV
S O BLOIS, COMM. DEPT	K ROBIN, SF DIV
W J FARRELL, GO	M A BALKE, SF DIV
R WALLER, GO	P EVENS, GO
K H WHALEN, SF DIV	L T McKELVEY, SF DIV
GARY HANSON, GO	R H FOHLEN, SF DIV
R PODESTA, SF DIV	C J BECK, SF DIV

CASE NO. _____

COURSE OF ACTION REQUESTED BY COMPLAINANT (CONT'D)

MRS. B K DUFFY, SF DIV
R H JONES, SF DIV
L GARDNER, GO (sp)
E PEDERSON, PSE CREDIT UNION
H WONG, GO (GARAGE)
GEN, SERV. MGR, SAN JOAQUIN, DIV
K AUBE, EB DIV
EXEC REP, EB DIV
E R DUNCKLEMAN, SAN JOSE DIV
J ENGLERT, LAW DEPT
E HEIM, GO, COMML
E HOWE, SF DIV
K J HEALEY, SF DIV
WJ FARRELL, GO
B H NESBIT, EXEC OFF.
F MIELKE, CHM
J SPROULE, EXEC VP
H McKINLEY, VP
E SATRAP, GO, OR SUBS.CO.
R McDONALD, GO (GEN SVSC.)
CJ BECK, SF DIV
R DRAEGER, NB DIV
J MICHAEL, GO
W DONOVAN, SF DIV

MRS. K YANABA, SF DIV
J COOPER, VP, GO
S RUNSER, GO
V BOISSERRE, (sp) PSE CR. UN.
G RADFORD, SJ DIV
G F CLIFTON, EB DIV
J DUNCAN, EB DIV
MGR, CITY OF ALAMEDA
H BOYETT, NB DIV
P ELIAS, GO COMML
L THOMASON, GO COMML
R TUCKER, SF DIV
RH JONES, SF DIV
S FREDERICHS, EXEC OFF
G HANSON, EXEC OFF. OR COMML DIV
B SHACKELFORD, CHM
R K MILLER, VP
FF MAUTZ (RETD), VP
K DORKING, VP, SUBS, CO.
R PODESTA, SF DIV
SS SLAUSON, (FIRED), SF DIV
C MOORE, GO (RATES & VAL.
J KELLY, LAW DEPT
G LAWSON, SF DIV

ALL EMPLOYEES OF THE PERSONNEL DEPT ABOVE, LEVEL 5

WRO CHEATHAM, GO PERS
K H WHALEN, SF DIV
L WOHLBERG, GO RET'd)

P POULOS, GO PERS.
H BRAUN, VP, ELEC OPNS
F REGEN, GO PUB AFF.

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CASE NO._____

COURSE OF ACTION REQUESTED BY COMPLAINANT (CONT'D)

K HUGHES, EB DIV

EF SIBLEY, (RET'D) GAS DEPT, GO

AF VIAL, EB DIV.

R OHLBACH, LAW DEPT

R HOFFMAN, P & O GO

KK LOBODOVSKY, SF DIV MKTG

J SHAEFER, GO

M BONNER, GO

K DIERKES, PUB AFF.

H FISHER, (RET'D,), VP GAS DEPT

G ASTER, DES DFTG, GO

S PITNER, GO PERS.

CV LORD, (RET'D) GO

KV HAYES, ANTIOCH OFF.

G LAWSON, SF DIV PERS.

M HAY GO

ALL MEMBERS OF THE GOOD GOVT FUNI

G RUGGE, PU. AFF.

ALL MEMBERS OF PUB. AFFAIRS, ABOVE LEVEL 5

P BAILEY, SUGG. COMM, GO

G GUSTAFSON, SF ELEC DEPT (RET'D)

J D WORTHINGTON, EX. VP

W WILSON, SUGG. COMM. GO

H GUISTI, SF DIV, OR GO

ALL EXECUTIVE OFFICERS.

5. That an outside engineering firm be hired by the company to investigate the San Francisco Steam System, and design a new metering set up. Also that it design a new street network. That the company be ordered to perform all items that should have been done over the years to keep the system in first class condition. The expense should be charged to the stockholders. A preventative maintenance program should also be established, and the company ordered to follow it. The plan should be submitted for Commission approval.

6. That an outside engineering study, preferably by a firm like Bechtel be made of the company estimating procedure, a new plan made, and submitted to the Commission for approval.

7. That an outside study be made of the General Construction Department, and the company be ordered to consult with the P T & T, SO. CAL. EDISION, AND SO. CAL GAS TO STUDY THEIR METHODS.

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8. That an outside firm audit the San Joaquin Division records of the Bass Lake, and General Service incidents, and a comparison be made of the firms study with the action actually taken by management. The company should also be reimbursed for any costs by the people involved. That disciplinary action be ordered by the Commission against the Executives who knew of it and condoned it. That the Internal Auditing Department's records, procedures and records be examined by an outside firm, and corrective measures be submitted to the Commission for approval.

9. That the ongoing investigation of the Commission of the company's affirmative action program be expanded. That the company submit a computor run of all male and female employees above level 4, listing seniority, position, education promotability, number of job interviews, and appraisal. That the company submit an explanation why females and minorities have not achieved the same upward mobility as their proportion in the work force.

10. That the Commission cancel the company's Energy Audit program and substitute a requirement that competent, experienced engineers be hired, either on a consulting basis, or as employees. That rate design be submitted including an electric advertising rate of 25¢ per Kilowatt hour for all advertising signs, and lights of any business when it is closed that are on for advertising, and not for security purposes, including billboards. That the company be ordered to survey all hirise, or large energy use buildings on the system and submit a plan for after hours kilowatt maximum use. That transformers and metering to all buildings

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to be adjusted to control the limitation. Also a 25¢ rate for all, non-essential after hours use.

11. That PG&E be ordered to cease all commute driving of all employes in a company car unless they are operating personnel on call. That all company cars assigned to non-operating personnel be sold, or used for operating personnel only.

12. That the company be ordered to convert all vehicles from use of gasoline (or to dual fuel with gasoline used in emergency only) at a rate of 150 per week or to insure that all vehicles are converted in two years. That bids be solicited from outside firms to compete with company estimates of conversions. That the bids be evaluated by representatives from Van Gas, Par Gas, Cal Gas and from the propane equipment suppliers representatives.

13. That the company submit a list and description of all suggestions rejected since 1970 that had an estimated value of over $500 in annual savings to the company. Included must be in particular any suggestion submitted by local committees as valid and rejected, whether by the department involved, or by General Office Departments. That a letter be sent by the company to all employees to submit their suggestions to insure none are overlooked. One suggestion in this category cannot be found by the Central Suggestion Office.

14. That an audit be ordered of the P. S. E. Credit Union to determine staffing and quality of personnel for Credit Union functions. The audit to be done by a qualified firm specializing in that function, or by an accounting firm, and a personnel audit firm

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14. (cont'd) An order be issued to P S E Credit Union that all autos be returned to PG&E to be sold, or sold if owned by the Union except for those used by travelling personnel on Credit Union business only.

15. That an Age Discrimination Investigation be ordered and a review of the personnel records of S O Blois, W W Weiss, C V Lord (early retired), R Hoffman, K J Healey, H Boyett, A F Vial and William B. Hancock to determine if the company has in fact discriminated against the above people.

16. That the company be ordered to reduce the size of the Design Drafting and Engineering Departments, and outside consultants such as those named in Paragraph 14, Page 15 be employed.

17. That an effective "Management by Objectives" Program be ordered by the Chairman of the Board of PG&E, designed by consulting with GENERAL ELECTRIC CO. IBM, AND Peter Drucker on a consulting basis.

18. That the "Good Government" Fund be audited by outside auditors, and then abolished. It should be audited by outside Public Activity Lawyers, and if coercin by Managers and Executives is proven, proper legal action taken.

19. That an outside audit of the Marketing Plan, Commercial Department Operations be made by outside Marketing Consultants. That an order be issued to engage Mr. Laurence Shea, of Shea Equipment Company as the Marketing Consultant for part of the restructuring of the marketing functions.

20. That an order be issued to restructure the Procedures and Organization Department and have it report to the Chairman of the Board. That Mr. Jack Horton, Chairman, So. Cal. Edison, who

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20. (cont'd) was in that Department at P G & E before going to his present company, be consulted for his advice.

21. That the company be ordered to supply a computer run of all employees who are related to present or former employees and that the personnel records of all such employees be audited by a competent management firm (such as Cresap McCormick, and Paget)

22. That the company be ordered to open negotiations with the City of Alameda to buy their electric system which is in a sad state of repair.

23. That an outside study be ordered to determine the economies of moving most of the General Office to another nearby city, such as Oakland, not on an earthquake fault, but preferably somewhere on the Bart System (Richmond would be excellent) to reduce costs, make employee public transit more feasible (many General Office personnel live east of Oakland, in Walnut Creek, Orinda, etc.

24. That the Gas Resources Department be reduced in size, and phased back into the Gas Department under a single vice president.

25. That an order be issued that the Public Activities Department be drastically reduced in size, and all non-essential photography be stopped.

26. That all non essential company publications and advertising not directly related to the energy conservation ordered by the Commission be halted until cash flow is improved.

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27. That an order be issued to drastically reduce the Law Department in size. Many attorneys are presently working on the Anti-trust suit, which would never have been filed if management would have cooperated with the N C P A. Suggest consultation with P T & T, which has a much smaller law department. Also order engagement of a Public Activity Law Firm to Audit the Department for size and function.

END OF COURSE FOR ACTION

19. (continued from page 20) Plaintiff reluctantly reveals that he is"early retired"from P G & E and his attorney is preparing a lawsuit against the company for Age Discrimination, on behalf of the complainant and numerous John Does. Federal Law prohibits retaliation against an employee who has filed a suit. Complainant requests a Commission order to PG&E to protect complainant.

Dated San Francisco, California, this 24th day of February, 1980

William B Hancock

WILLIAM B. HANCOCK
COMPLAINANT

ATTACHED AND MADE PART OF COMPLAINT: EXHIBITS A THROUGH N

EXHIBIT A

CASE NO. _____

GENERAL INFORMATION BULLETIN

DIVISION OR DEPARTMENT: SAN FRANCISCO
Div. Mgr's. Ofc.

SUBJECT: San Francisco Division Operations

July 27, 1977

DIVISION COUNCIL
SAN FRANCISCO DIVISION

Due to my existing illness, effective immediately, each Department Manager and Superintendent will have the responsibility of carrying out their own functions and activities. Any decisions that involve more than one department or any correspondence normally signed by the Division Manager will be handled by Mr. E. V. Lathrop, San Francisco Division Marketing Manager. This will include payroll authorizations and other decisions.

I am confident of your full cooperation and know that you will understand my reasons for this change. My total efforts will now be directed to fighting my personal battle with the ultimate goal of returning to full time duty.

J. H. Black

J. H. BLACK

JHB:bkd
cc: Officers
Division Managers

DISPOSITION: 732
(IF FILING REQUIRED SHOW FILE NO. HERE)

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N-8

Your Honor.

MR. ENGLERT: I have an additional question.

Q Mr. DeBerry, would it be your recommendation in this proceeding that PG&E complete the renovation of its low pressure distribution system in a limited time frame and regardless of the engineering economics associated with that replacement?

MR. JENNINGS: I object to the question.

That is a mangement decision.

If the management of PG&E wants to hire Mr. DeBerry to go over there and work on this problem, why, maybe we can arrange a contract.

But I think that is a decision for management; not within Mr. DeBerry's responsibilities.

MR. ENGLERT: We would accept that position if that is the position, that it is a matter of management discretion on the part of PG&E.

That has always been our position in this matter.

ALJ GILLANDERS: Gentlemen, and this Commission's job is to second guess management and to point out, like the staff is doing, you should never authorize -- your management should never authorize Boiler No. 7, and it is my job to tell the Commission, based on the record, management has been dilatory, if the record shows.

They have a program authorized, but they are not following it and they should and we will order you to proceed posthaste with putting in the new plant.

That is what regulation is all about.

MR. JENNINGS: It is our position, Your Honor, we can indicate what we find and what we think should be done, but

My problem is of notice to the parties who would be affected by this.

And my concern would be, if you ultimately adopt such a rate design, these people will feel that they did not have sufficient notice to present a rebuttal case to this and that we will find ourselves in some sort of a difficult procedural posture here.

Perhaps the next time we come in for a rate increase, and I understand it's now our policy to keep the earnings of our minor utilities up to a fair and reasonable level, that the staff or the staff could propose a demand-type charge at that time.

ALJ GILLANDERS: Let me throw this out to you, Mr. Englert. You are leading up to something that was bound to come out.

It's my personal opinion, based on the record, that the staff has made an excellent case for throwing out your Boiler No. 7.

I wouldn't want to have to spell it out clearly in any detail for the world to read, but at this stage of the game I would have to point out the inadequacies of the internal management of PG&E, their failure to look, again, at Boiler No. 7.

I would have to recommend to the Commission that we adopt the 9.35 rate of return; set rates on that basis; ask your stockholders -- order your stockholders to -- well, either order PG&E, give them the option of filing tariffs to produce that rate of return or so your steam system is not a burden on the gas and electric customers or swallow the difference.

It would just appear to me, and it's inevitable if

system by use of a 0.22 percent factor. Since this is the same factor adopted in D.86281, dated August 24, 1976, of the last general electric and gas proceeding, A.55509 and A.55510, the staff used this factor in its estimates. Both the staff and the utility used a zero percent factor for allocating the property insurance item of administrative and general expenses; this is the same as shown on the staff's exhibit in the last general rate proceeding.

For the balance of items shown as indirect administrative and general expenses and all other common utility plant associated items, the company used a 0.14 percent allocation factor based on the composite rates of the four-factor method. The method was reviewed in detail and appeared to be consistent with staff practices and was followed by the staff.

The staff witness testified that he made no special study of the steam department as "we just had a staff review of the gas and electric rate case previously and I used the factors that they had reviewed and the total common utility plant estimates that they came up with."5/

The use of the four-factor method for very small divisions of PG&E leads to distorted results. For example, according to the staff the steam department will have 279 customers for the 1979 test year.

The staff's four-factor method thus assigns $2,630 of common plant and property held for future use to each steam customer. The staff's method assigns $665 of administrative and general expenses to each customer and $1,644 of working capital.

5/ Those estimates did not give consideration to the staff's disallowance of $2,790,614 of Steam Department Production Plant.

The problem of allocations was recently discussed in Decision No. 87468 dated June 21, 1977 in connection with PG&E's Application No. 54199 for authority to increase its rates for water service provided by the Tuolumne Water System. In Decision No. 87468 we said:

> "PG&E argues that its utilization of the four-factor method to allocate common expenses is fair and reasonable. PG&E utilized the established four-factor method to allocate certain administrative and general expenses, to allocate common utility [plant], and to allocate common utility plant depreciation, reserve, and expense to the Tuolumne Water System. PG&E adopted the four-factor method after discussion with the staff several years ago. The four factors are customers, capital investment, operations and maintenance expense, and direct payroll. For each of the operating departments, including the water department, there is developed a percent of total for the four items. If the four-factor method is not utilized, PG&E claims it will mean that some part of its common plant and administrative and general expenses would not be recovered, which would be an irrecoverable loss to PG&E.
>
> "The staff estimate was based on a two-factor allocation. The reason for this, as explained at length by the staff witness, was that a four-factor allocation produced a distorted result for the Tuolumne Water System of $10.11 per customer as opposed to a $5.39 cost per customer for PG&E overall. The staff two-factor allocation resulted in a charge of $6.09 per customer, a more equitable estimate. According to the staff witness, he did not blindly follow a formula which led to an unreasonable result but instead substituted 'engineering judgment' to reach a reasonable result.
>
> "We are impressed with the staff showing both as to its study of customer accounts expense and the allocation of common expenses and plant. We find it difficult to believe that, in PG&E's words, 'nothing had changed since the last allocation study undertaken in 1968'. The staff's estimates will be adopted."

If we found in 1977 that an allocated cost per customer of $73.08 per year was reasonable for a small water division of PG&E, surely a customer cost of $664.80 per year for 1977 test year must be unreasonable for the steam division of PG&E. If we found that $69 of common plant per customer was reasonable for the small water division, then $2,630 must be unreasonable for the steam division.

Administrative and General Expenses

Based upon the above discussion a reasonable allowance for administrative and general expenses is $21,000 instead of the staff's $190,600.

Rate Base Determination

Staff Exhibit 9 shows on Table 9-A allocations of common plant and property held for future use amounting to $733,600 and on Table 10-B a depreciation reserve allocation of $178,800 or a net of $554,800.

On Table 11-A of staff Exhibit 9 the staff shows allocated common plant materials and supplies of $340,800 and allocated working cash allowance of $118,000 or a total allocated working capital of $458,800.

Table B of staff Exhibit 23 shows an adjusted net plant investment as of December 31, 1977 of $3,590,459; from this amount $2,790,614 of production plant related to Boiler No. 7 should be subtracted leaving a balance of $799,845.

In the Tuolumne matter, the staff made its own estimate of materials and supplies and developed a working cash allowance based on Tuolumne's needs. In this matter, materials and supplies

EXHIBIT D CASE NO.

NAME Good Government Fund I. D. NUMBER ([redacted] COMMITTEE) 744249

Statement Covers Period From 4/24/78 through 5/22/78

SCHEDULE A, FORM 420 or 430
(continued) (continuation of Part 2, Page 4)

PART 2 - RECEIVED FROM OTHERS: (See information manual for directions and examples)

DATE 1978	FULL NAME AND ADDRESS (Street, City, State) OF CONTRIBUTOR	OCCUPATION	EMPLOYER (IF CONTRIBUTOR IS SELF-EMPLOYED LIST STREET ADDRESS & CITY OF BUSINESS)	AMOUNT RECEIVED	CUMULATIVE AMOUNT From 1/1/77
	Max A. Balke 1000 Evans Avenue San Francisco, CA 94124	Superintendent	PGandE	$ -0-	$ 100.00
	John H. Black 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	60.00
	Walter J. Farrell 245 Market Street San Francisco, CA 94106	Representative	PGandE	-0-	100.00
	Richard H. Jones 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
	James Kinder 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Edward V. Lathrop 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	L. T. McKelvey 2225 Folsom Street San Francisco, CA 94110	Manager	PGandE	0	100.00
	R. C. Metcalf 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Kenneth E. Robin 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
4/24	A. F. Vial 450 Eastmoor Avenue Daly City, CA 94015	Manager	PGandE	10.00	110.00
	Kenneth H. Whalen 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
5/19	Thomas E. Riddle 1030 Detroit Concord, CA 94518	Manager	PGandE	10.00	80.00

NAME Good Government Fund I. D. NUMBER (OF COMMITTEE) 744249

Statement Covers Period From 4/24/78 through 5/22/78

SCHEDULE A, FORM 420 or 430

(continued) (continuation of Part 2, Page 4)

PART 2 - RECEIVED FROM OTHERS: (See information manual for directions and examples)

DATE 1978	FULL NAME AND ADDRESS (Street, City, State) OF CONTRIBUTOR	OCCUPATION	EMPLOYER (IF CONTRIBUTOR IS SELF-EMPLOYED LIST STREET ADDRESS & CITY OF BUSINESS)	AMOUNT RECEIVED	CUMULATIVE AMOUNT From 1/1/77
4/24	Roderick E. Thompson 18th & Shotwell San Francisco, CA 94107	Engineer	PGandE	$ 5.00	$ 80.00
4/24	Lawrence E. Englund 111 Almaden Blvd. San Jose, CA 95198	Supervisor	PGandE	5.00	80.00
4/24	Fred L. Nettle 111 Almaden Blvd. San Jose, CA 95198	Superinten dent	PGandE	5.00	80.00
4/24	I. Wayland Bonbright, III 245 Market Street San Francisco, CA 94106	Manager	PGandE	5.00	80.00
4/24	Lawrence V. Brown, Jr. 245 Market Street San Francisco, CA 94106	Industrial Represen-tative	PGandE	5.00	80.00
4/24	James C. Neel 245 Market Street San Francisco, CA 94106	Director of Security	PGandE	5.00	80.00
4/24	Haven C. Smith 245 Market Street San Francisco, CA 94106	Analyst	PGandE	5.00	80.00
4/24	Lloyd S. Huntsman 77 Beale Street San Francisco, CA 94106	Licensing Agent	PGandE	5.00	80.00
4/24	Clarence M. Stringer 77 Beale Street San Francisco, CA 94106	Supervisor	PGandE	5.00	80.00
4/24	Thomas R. Ferry 245 Market Street San Francisco, CA 94106	Manager	PGandE	5.00	80.00
4/24	H. J. Stefanetti 77 Beale Street San Francisco, CA 94106	Manager	PGandE	5.00	80.00
4/24	Joseph N. Ylarraz 77 Beale Street San Francisco, CA 94106	Manager	PGandE	5.00	80.00

State of California
FRANCHISE TAX BOARD
Sacramento, CA 95867
(916) 355-0480

AUDIT REPORT FOR COMMITTEE:

Good Government Fund
77 Beale Street, Room 891, San Francisco, CA 94106

January 2, 1976 through December 31, 1976

TREASURER: Frank A. Peter
77 Beale Street, Room 891, San Francisco, CA 94106

REPRESENTATIVES: Joseph Kelly
77 Beale Street, Room 3091, San Francisco, CA 94106

Thomas High
77 Beale Street, Room 3008, San Francisco, CA 94106

Michael Moe
77 Beale Street, Room 540 K, San Francisco, CA 94106

AUTHORITY FOR AUDIT

This audit is mandated by Section 90001(e) of the California Government Code.

BACKGROUND INFORMATION

The Good Government Fund is an independent, ongoing committee. It supports any candidate whose views coincide with that of the enrolled membership.

The audit was conducted in the corporate headquarters of Pacific Gas and Electric Company at 77 Beale Street in San Francisco. The statements were prepared and the records were maintained in the accounting department, also at 77 Beale Street. Assistance during the audit was provided by Joseph Kelly and Thomas High.

RECORDKEEPING

Michael Moe maintains records in accordance with the Fair Political Practices Commission Regulations. The reliability of the records was adequate.

NAME Good Government Fund **EXHIBIT D** I.D. NUMBER (if assigned) 744249 CASE NO.

Statement covers period from 5/25/76 through 8/5/76

SCHEDULE E, FORM 420 or 430
PAYMENTS (continuation of Part 1, Page 8)

(Amounts may be rounded off to whole dollars)

PART 1 — MADE TO COMMITTEES: (See information manual for directions and examples)

OFFICIAL USE ONLY	FULL NAME OF PAYEE COMMITTEE AND I.D. NUMBER (If the committee has no I.D. Number, state full name and address of the Treasurer)	AMOUNT THIS PERIOD
	Briggs for Senate Committee State Senator I. D. #745829	$ 300.00
	Friends of Pete Chacon State Assemblyman I. D. #741730	200.00
	Committee to Re-Elect Deddeh State Assemblyman I. D. #742129	200.00
	Friends of Jim Slemons State Assemblyman I. D. #760197	200.00
	William Dannemeyer for Assembly Committee State Assemblyman I. D. #760335	200.00
	Vicencia Committee State Assemblyman I. D. #745693	200.00
	Committee to Re-Elect Assemblyman Duffy State Assemblyman I. D. #741302	200.00
	Committee to Elect Bill Thomas State Assemblyman I. D. #743207	200.00
	Committee To Re-Elect Bob Cline State Assemblyman I. D #743650	200.00
	Friends of Arnett Committee State Assemblyman I. D. #741007	200.00
	Calvo Campaign Committee State Assemblyman I. D. #742922	200.00
	Citizens for Hayden Committee State Assemblyman I. D. #741457	200.00

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 1, part 3, page 9) $ 2,500.00

Committee to Re-Elect
SUPERVISOR
TERRY A. FRANCOIS

4[illegible] FULTON STREET
SAN FRANCISCO, CALIF. 9410
(415) 552-3151

CASE NO.

May 6, 1975

Mr. William Handcock
848 - 34th Street
Richmond, California

Dear Mr. Handcock:

Thank you for your contribution to my campaign. Your support is most gratifying to me.

I have every hope that this campaign will be as successful as my last one, and early assistance from people like yourself is very encouraging.

Thank you again.

Sincerely,

Terry A. Francois

Terry A. Francois

mc

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EXHIBIT 7 CASE NO. _____

PAYROLL CHANGE

PACIFIC GAS AND ELECTRIC COMPANY
69-7036 Rev. 3 78

EFFECTIVE DATE (MO. DAY. YR.)	SOCIAL SECURITY NO.	COMPLETE LEGAL NAME, LAST NAME FIRST	INITIALS	DATE EMPLOYED (MO. DAY. YR.)
12-5-79	287-18-9861	BABCOCK, WILLIAM B.	W B	9-3-68

BIRTH DATE	SEX (M-F)	MARITAL CODE	WITHHOLDING TAX EXEMP	WITHHOLDING TAX FLAT AMT.	W.B.	F.I.C.A.	(Retire Only) LAST DAY WORKED (MO., DAY, YR.)
6-24-22	M						

HIRE	REHIRE	STREET NUMBER	CITY	STATE	ZIP
☐	☐				

	PRESENT		PROPOSED	
DIVISION	SAN FRANCISCO	02		
DEPARTMENT	DIVISION MARKETING	25		
LOCATION	SAN FRANCISCO	50		
FUNCTION	DIV C-1 MARKETING	49		
POSITION CODE		0409		
CLASSIFICATION	ENERGY UTIL MGR	5356		
RATE AMOUNT	$2375	TYPE	Retirement Payroll EFFECTIVE DATE: 6-30-79	$

LEAVE	RETURN	TERMINATION	EXP DATE OF LEAVE (MO., DAY, YR.)	SIGNATURE OF EMPLOYEE	GIVE REASON & ADDRESS ABOVE FOR L/A OR TERMINATION	ELIGIBLE FOR REHIRE YES ☐ NO ☐ (IF NO, GIVE REASON)
		X				

RECOMMENDED BY	APPROVED BY	APPROVED BY	AUTHORIZED BY
[illegible]	E. V. Rathbun		J. A. FAIRCHILD

5

EXHIBIT G

CASE NO. _____

TO ALL FELLOW EMPLOYEES

The California Public Utilities Commission has ordered the Company to send you this letter.

A complaint has been filed against the company by a retired employee asking that all employees send direct to the Public Utilities Commission any suggestions they may have to improve the efficiency of the company's operation. We have always been proud of the great job you have done for our customers, and will appreciate your usual fine cooperation.

Please use the enclosed addressed and stamped envelope. You may sign the letter or be anonymous, if you prefer. All letters will be read and attempts made to maximize profit from your comments, for our ratepayers, stockholders, and fellow employees.

Sincerely,

F Mielke
Chairman

0004 0 2 3 9 7 8

EXHIBIT H CASE NO. _____

PACIFIC GAS AND ELECTRIC COMPANY

PG&E 245 MARKET STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

J. A. "ART" FAIRCHILD
DIVISION MANAGER

April 23, 1979

Mr. J. DeFazio
Property Manager
The Americas
Qantas Airways Limited
360 Post Street
San Francisco, CA 94108

Dear Mr. DeFazio:

Thank you for your kind letter of April 5, 1979 describing the energy savings you have achieved at Qantas. While we receive reports from time to time regarding energy savings our customers have realized from our conservation efforts, your letter describes one of the more successful endeavors.

Periodically we report these success stories in a publication called Energy Exchange (copy attached). May we have your permission to reprint your letter, in whole or part, in Energy Exchange? This publication reaches many of our customers.

Also enclosed is a brochure describing our Energy Conservation Achievement Program. Through this recognition program, we pay tribute to those customers who realize major energy savings. If you have any questions or wish help in filling out the form, please call Mr. Bill Hancock at this office.

Again, thank you for taking the time to write to us.

Sincerely,

E. V. Lathrop

E. V. Lathrop
Division Marketing Manager

EVL:pam
Enclosures
cc: W. B. Hancock

0004023979

EXHIBIT I

CASE NO. _____

QANTAS AIRWAYS LIMITED
(Incorporated in Queensland)

360 Post Street
San Francisco Calif. 94108

Telephone: (415) 445
Telex: 3-4745
Telegraphic: Qantas

QANTAS

Ref. MTP.232/633

April 5, 1979

Mr. E. V. Lathrop,
San Francisco Division,
Marketing Manager,
Pacific Gas & Electric Company,
245 Market Street,
SAN FRANCISCO, CA. 94106.

Dear Mr. Lathrop:

Further to my letter of January 5, 1978 now that we have had several months to evaluate the cost saving recommendations as recommended by our consulting engineers and fully supported by Mr. William Hancock at Pacific Gas and Electric, the direct savings have been averaging slightly over $6,000 per month for the past five months.

These cost savings were due primarily to implementation of new operating procedures. The capital cost was in the neighborhood of $1,800.

I cannot thank you enough for the assistance which your company has provided in helping to reduce our electrical and steam useage.

In further discussions with Mr. Hancock it is evident that this savings will be on an on-going basis, an average of $5,000 per month and this is taking into consideration the present rate schedule. The total savings will be approximately $6,000 per month, this includes the rate reduction.

Yours very truly,

J. De Fazio
Property Manager
The Americas

0 0 0 4 0 2 2 9 8 0

EXHIBIT J CASE NO. _____

QANTAS AIRWAYS LIMITED
(Incorporated in Queensland)

360 Post Street
San Francisco Calif. 94108

Telephone: (415) 445
Telex: 3-4745
Telegraphic: Qantas

QANTAS

Ref. MTP.15/633

January 5, 1979

Mr. E. V. Lathrop,
San Francisco Division,
Marketing Manager,
Pacific Gas & Electric Company,
245 Market Street,
SAN FRANCISCO, CA. 94106.

Dear Mr. Lathrop:

Enclosed is a response to your memo dated July 13, 1978 regarding the energy utilization assistance your company has provided Qantas Airways.

I would at this time like to emphasise the fact that your Mr. William Hancock has been invaluable in assisting us in reducing our energy costs and energy consumption. I cannot say enough to compliment Mr. Hancock's assistance to us. He is very courteous, extremely knowledgeable and his suggestions and assistance have saved us many thousands of dollars.

Very truly yours,

J. De Fazio

J. De Fazio
Property Manager
The Americas

Encl: 1.

cc: Mr. William Hancock.

6004023981

EXHIBIT K CASE NO. _____

NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS

California Society of Professional Engineers

"Putting It All Together For The Engineer"

May 10, 1979

City Council
City of Alameda
Alameda, CA 94501

Re: William Hancock

Dear Sirs:

We have known and worked with Mr. Hancock for many years and have the utmost confidence in his qualifications and integrity.

Mr. Hancock has the unique ability to analyze a problem, to evaluate the parameters and to arrive at the best solution quickly. In addition, his experience in energy use and evaluation gives him an excellent background for work in the utility area.

I will be happy to meet with you to discuss Mr. Hancock's qualifications. Please contact me at your convenience.

Sincerely yours,

Edward M. Walker

Edward M. Walker, P.E.
President CSPE

EMW/pr

PG&E
Suggestion Office
62-6316 Rev. 3/77

EXHIBIT L

EVALUATION REPORT

(See Reverse Side for Instructions)

CASE NO. _____

Format 21
Level 2

TITLE: CO. CAR CONVERSION TO LP FUEL

SUGGESTION NO.: 02-79-140

DO YOU RECOMMEND THE SUGGESTION BE:

A ☐ ADOPTED
M ☐ ADOPTED WITH MODIFICATION
D ☐ DECLINED (See Back of Form for Protection Policy)

☒ ~~RECOMMEND ADOPTION~~ – FORWARD TO G.D.

Date Rated: Mo. 05 Yr. 79

Savings (Dollars only): $

Implementation Date

SUGGESTION COMMITTEE USE ONLY
AWARD (Round to nearest $5.00)

TANGIBLE	$
INTANGIBLE	$
SAFETY	$
TOTAL AWARD	$

Eligible for monetary award ☐ Yes ☐ No

Does your department have primary responsibility in this matter? ☐ Yes ☒ No
If adopted, can your department implement? ☐ Yes ☒ No

If no to either of the above, to what department should it be forwarded: Automotive & Siting

If adopted, which department will benefit from the savings?

System Use ☒ Yes ☐ No

REPORT PREPARED BY: [illegible]

APPROVED BY: [illegible]

BRIEF DESCRIPTION OF SUGGESTION

Convert Company vehicles to L. P. fuel to save fuel costs and use this as an air quality trade off for Potrero Unit #7.

EVALUATION, ACTION TO BE TAKEN AND EXPLANATION OF SAVINGS, IF ANY:

This suggestion should be referred to the Automotive and Equipment Department because of its complexity and the type of information required for a thorough evaluation and to the Siting Department for analyzing the "trade off".

REFERRED TO:	RETURN TO:	LOCATION
BILL RYAN	R. PODESTA	245 MARKET ST.

DO NOT FILL OUT THIS GREEN AREA.

TITLE: EXHIBIT L

CASE NO.

CO CAR CONVERSION TO LP FUEL

DIST. | SUGGESTION NUMBER: DIV. | YEAR | NO. — 02 | 79 | 140

DATE REC'D: DAY | MO. | YR. — 5 | 7 | 79

EVALUATING DEPT. — GEN SERVICES

DATE REF. MO. | YR.

DUE DATE MO. | YR.

EMPLOYEE SUGGESTION

I have read the reverse side of the form and agree to the terms and conditions as stated.

COMPANY PHONE NO. 2372

SOCIAL SECURITY NO. 187 | 18 | 9861

SUGGESTER'S SIGNATURE (JOINT SUGGESTERS SEE INSTRUCTIONS): William B Hancock

PRINT YOUR LAST NAME AND: BB N HANCOCK

INITIALS: WB

COMPANY MAILING ADDRESS: Room 744, 245 Market Street

DEPARTMENT: S.B. MARKETING

JOB TITLE: ENERGY UTIL ENG

STATE PRESENT METHOD OR SITUATION

If your suggestion deals with any of these subjects - complete appropriate box(es).

MATERIAL CODE | STD PRACTICE NO. | FORM NO. | DWG. NO.

The company continues to purchase and use gasoline powered vehicles in the middle of the greated energy crisis we have ever known.

DESCRIBE YOUR SOLUTION

Care should be taken to state your solution as clearly as possible. If you desire, contact your supervisor or committeeman. They will be glad to cooperate with you. If necessary, attach additional sheets or sketches. About four years ago, recognizing that this crisis would occur again, I purchased a 1964 Cadillac, and equipped it with a State Certified, tax exempt clean air certifiaate. I submitted a suggestion that we consider converting our fleets to LP or other clean air fuel, and it was rejected. I have now kept detailed records, including California Automobile Association Diagnostic reports on it's performance, emissions, fuel consumption, repair record, and the present condition of the engine The car had about 50,000 miles on it when I converted it, and now has 102,000 miles. It will take about two weeks to compile all the data to refute the objections the automotive department will find to converting. I will say this, however. At the present time, my cost of fuel ranges from a low of 47.1¢ per gallon to a high of 55¢. My supply is unlimited and guaranteed, and Ido not have to wait in gas lines. My mileage in the commute averages just under 9.5 miles per gallon, versus 10 miles with gasoline. On the freeway, at 55 mph (I do not speed) my mileage has been as high as 13 mpg, versus 11 for gasoline. The engine is in fine condition except for some carbon which was my fault with wrong timing. I have to change points and plugs about every year, not every 10 or 20,000 miles. The system can be transferr to the next car I buy, and I can sell the car with the gasoline system it came with, reducing my cost further

DETAIL SAVINGS OR BENEFITS

☒ SAFETY ☐ INTANGIBLE

Suggester should complete savings section as fully as possible. If unable to use detail guide below, attach additional sheet.

			TOTALS
TOTAL MANHOURS SAVED PER YEAR X BASE HOURLY PAY RATE—LABOR SAVINGS: ENOURMOUS		LABOR SAVINGS	$
DESCRIPTION OF MATERIAL SAVED: GASOLINE ~~AN~~ AND PARTS	NO. OF UNITS X COST PER UNIT —	MATERIAL SAVINGS	$
			$
OTHER SAVINGS — REVENUE, CAPITAL, ETC.: SAFETY, SECURITY, CONVENIENCE, AVAILABILITY, EMISSIONS, ETC		OTHER SAVINGS	$
LABOR, MATERIALS, ETC. X 20%: SHOULD BE CONTRACTED, NOT DONE BY COMPANY PERSONNEL		INSTALLATION COST	$
TOTAL LABOR SAVINGS + MATERIAL SAVINGS + OTHER SAVINGS — INSTALLATION —		NET ANNUAL SAVINGS	$ in excess of $500,000.00

62-6294 Rev 2/78

Send all copies to your suggestion committee. Last copy will be returned as acknowledgement.

EXHIBIT L - CASE NO._____

May 7, 1979

SUGGESTION: Company car and truck converstion to Propane gas.
02-79-140

THE PROBLEM

The company has continued to purchase gasolene powered cars and trucks instead of considering alternate fuels. We are in the midst of the second energy so called crisis, with odd-even days, long lines for fuel, high prices of gasolene both to the company and the employees, and the prospect of a severe shortage of gas this summer.

MY SOLUTION

After the last gas crisis, I decided to see if there was a better way. I purchased an 1964 Cadillac with 44,000 miles on it from a fellow employee for $800.00, and converted it to propane at Cal-Gas Richmond at a cost of $666.86. I submitted a suggestion to the company that we consider it, but was turned down.

The present energy crisis appears to be more severe than the last one, and is causing many company employees to sit in gas lines in company cars on the road, we are experiencing ever higher costs of gasolene.

My original suggestion covered conversion for savings only. As part of my job, however, I have been assigned the task of overseeing third party trade offs for Potrero 7 Power Plant. We are considering spending about $180,000 to convert United White House Cleaners to a solvent recovery system. This system will be installed and paid for by P G & E, but all benefits will accrue to United.

Data from the State at phone 800 242 4450 showing emissions for gasolene driven cars from 1955 to 1979 is attached to this report. In addition from the Los Angeles office of the Air Resources Board is attached a report on an IMPCO carburetor, similar to the unit on my car.

Preliminary calculations show that the 87.6 tons/year of HC for HC, and 4,064.6 tons/yr. of HC for NOx as described in a recent report entitled "REASONS FOR PURSUING THIRD PARTY TRADE-OFFS" , can be compensated for by driving company vehicles 600,000 miles/yr, if they average 15mpg, or 40,000 gallons for fuel can be used as a measure for HC. NOx at 22,000 lbs/day require driving company vehicles 7,800,000 miles/yr. to achieve a trade-off.

For purposes of comparison, I secured data from the Automotive Department on the passenger cars and trucks driven in the bay area. The figures are broken down into 7101-Passenger cars, and 7105, pick up trucks. The figures follow:

7101, Passenger cars

East Bay	230,087	gallons	@	16.6	mpg	=	3,819,444	miles	driven/yr.
No. Bay	138,712	"	"	17.3	"	=	2,399,718	"	"
San Jose	114,219	"	"	16.4	"	=	1,873,192	"	"
San Rran.	97,730	"	"	13.4	"	=	1,309,582	"	"
G.O.	286,955	"	"	16.3	"	=	4,677,367	"	"
	867,703						14,079,303	"	"

7105, Pick Up Trucks (see Page 2.)

(cont'd) Suggestion-convert company cars and trucks to propane. (02-79-140)

7105, Pick Up Trucks

East Bay	487,800	gallons	@ 11.9	mpg	=	5,804,820	miles/yr.
No. Bay	346,660	"	" "	"	=	4,125,254	"
San Jose	440,195	"	" 11.4	"	=	5,018,223	"
San Fr.	250,719	"	" 9.5	"	=	2,381,831	"
G.O.	86,048	"	" 12.4	"	=	1,066,995	"
Total	1,611,422	"	"			18,397,123	"

From the above information, it is obvious that a trade-off could easily be achieved with company light cars and trucks. A study of our heavy emitters, compressors, heavy trucks on gasolene, could produce more emissions.

THE SAVINGS

The first savings would be to eliminate $175,000 of the $180,000 estimated to be spent on United White House.

The second savings have a far greater impact. Considering only 7101 and 7105 vehicles shows gallons per year of 2,479,125. Automotive has informed me that we burn about 4,000,000 gallons per year in the Bay area. The cost at present of gasolene from Chevron is 62¢ for regular, and 66¢ for unleaded. Since most of our vehicles use unleaded, I will take a 60%/40% split, and arrive at an average price of 64.4¢ per gallon. Par-Gas Brisbane, offers us 1,000 gallon drops in tanks leased by them to us at $365.00 per year (we should buy them)at a price of 39¢ per gallon. The average savings would be $629,698, if no other vehicles were considered. If the 4,000,000 gallon figure were used, the savings would be $1,016,000/yr. The company can also purchase propane from Par-Gas in 30,000 gallon tank cars at a savings over the 39¢. Mr. Sam Boyd of Par-Gas-Brisbane, estimates the tank car price at 34

467 2472

The time spent by company employees waiting in line when they cannot reach a company facility, plus the cost of gas at about 85¢ on the road should also be factored in. This can be accurately determined by checking the credit card purchases of all vehicles used in the bay Area.

Other savings are readily apparent. My car uses 30 wt. non detergent oil, which is cheaper than the detergent oils. It is certified by the state as a clean air vehicle, and the engine life will be 1 ½ to twice the life of a gasolene engine. When vehicles are converted, the parts taken off, gas tank, carburetor, etc, could be stored, and replaced when the vehicle is sent to auction. Par-Gas is quoting about $1,000 for a conversion at the present time, retail. The tanks must be hydrostatically tested every 12 years, so it is safe to assume a 10 year life for the tanks and accessories. Taking $400 as the cost of transferring it to another car twice would yield a total of $1,800 spent, or $180/yr.

P G & E could take credit for the trade-off by putting "Clean Air by P G & E, with propane powered cars" or words to that effect. On newer cars, mileage will be higher, since the pollution control (smog) devices) would be removed, and this would contribute to further savings. We could also consider trade-offs for Fossil 1 &2 in Collinsville, and for units to be installed in all company areas.

May 7, 1979

SUGGESTION: Company car and truck conversion to Propane Gas. (Cont'd)
02-79-140

Par Gas has assured me that propane is readily available. Reviewing company research on LPG from Gas Resources, and the American Petroleum Institute Annual report, it is apparent the company could secure lower prices on the world-wide market. We could then secure additional savings and publicity.

Another aspect with propane is safety. My tanks are mounted in the trunk, are 250 psi ASME tanks, state approved, and are much stronger than gasolene tanks. They can also be mounted under the car, but I do not recommend it, because they would be visible. When more of the public learns the advantages of propane, we may experience a rash of thefts of the vehicles. I prevent this by shutting off my tank in the trunk, which prevents the car from starting. With my gas guage disconnected, a would be thief would assume I was out of gas.

One most important aspect from a company standpoint is range of driving for the vehicle. My tanks carry 30 gallons net, which is 3 gallons more than the gasolene tank. Since few company vehicles require trunk space, the tanks could be sized for one and one half times the gallon capacity, reducing the number of fillups, and time spent. This would particularly apply on the road, as well as in our yards where nighttime personnel refill the tanks.

I can supply additional data if required. I do not recommend as in the attached IMPCO brochure that we use dual fuel systems. I have never had a problem in the last 4 ½ years. Almost all 24 hour truck stops carry propane, and RV dealers, and some large sporting goods stores have it for an emergency. As an example, I have purchased propane in SAn Raphael the last two Saturdays, when gas lines were as much as 2 blocks long. I drive to McPhails into the yard, and am filled and on my way in about 3 minutes, with no waiting in line. McPhails charge 50¢ per gallon, and Par-Gas about 47.2¢ at present. My prices have ranged from 47¢ to 57¢ recently, according to where I purchase it.

My final savings would be measured in Fuel, oil, trade-offs, time spent in lines, and mechanic labor on engine repairs. The rough estimates are as follows

Fuel (4 Million Gallons)		$1,016,000.
Oil Pure estimate		
change every 30,000 miles		
2,772 vehicles @ 10¢/qt		
diff.		
32,476,426 miles / 30,000 miles	÷ 1,083	
changes @50¢	=	$. ! 541
United White House		$ 180,000
Maintenance (30% less)		??
Employee time in lines		??
Net first year from cost of conversions (est 2,772 veh. @ $ 750 initial plus 300 each x 2 (volume discount) =		$- 374,220
		$ 822,321 @ 20% = $164,464 award

EXHIBIT L CASE NO._____

May 7, 1979

SUGGESTION: Company Car and truck conversion to Propane Gas
02-79-140

The savings of $822,321 would need refining to include maintenance, and cost of employees buying gas at commercial establishments. Par Gas has supplied some figures, but it would be advisable to contract out the conversions to a company that could do them on a volume basis. ! bing them in house with existing crews would create new positions which would be for a short time basis only. The suggestor is in touch with people who can assist in this aspect of the suggestion.

Attachments: IMPCO Form SLP-R71
(Schematic Diagram for IMPCO LP Gas Operation
Report (undated) REASONS FOR PURSUING THIRD PARTY TRADE OFFS
Calif State Auto Assn Diagnostic Reports 11853, gasolene, and 15606, 22952, 64586, 73995, on propane.
State of California Air Resources Board Staff Report September 1978, Evaluation of Impco Arburetion, Inc.

The last attachment gives the comparison of gas versus propane for a Pontiac Ventura, Ford Ranchero, Toyota Celica, Chevrolet Model 20 GVWR 8200, and Ford 6800 # GVW F-250. This should enable Automotive or siting to calculate the emission trade offs, including CO.

Mr Boyd's price of 34¢ per 30,000 gallon tank car, which was quoted May 16th, increases the savings on 4 million gallons to $1,216,000. System wide I am sure the savings would be more than twice that, or about $2,500,000 making this one of the largest savings on a suggestion in company history.

Pg&e could also be the "good guy" in the gasolene crisis by announcing we were releasing about 8,000,000 gallons per year to the motoring public. We could also capitalize on the emission tradeoff for Potrero 7 with Mayor Diane Feinstein and other governmental figures including Goveronor Brown.

William B Hancock

William B Hancock
Energy Utilization Engineer
San Francisco Division

Assume 1 gal. 160 burns × pounds/hr of fuel
(approx 8 lb/gal)

Combines with air & produce Y pounds/hr
of exhaust gases.
(a) 160 ppm $Y \times \frac{160}{1,000,000}$ = lb/hr of HC

Can combine with air C → CO_2
H → H_2O

Air ~ 1/5 oxygen
Assume 12 lb C combine with 16 lb O_2.
4 " H " " 16 " "

Assume ~ 10 lb fuel comb with 16 lb O_2
(from 80 lb air)

So 10 lb fuel produces ~ 90 lb of effluents
1 gal (~8 lb) produces ~ 70 lb of effluents

which produces $\frac{70 \times 160}{1,000,000}$ lb HC ≈ .01120

10 auto-miles → .01 lb HC
1 auto-1 mile .001 lb HC
For .24 tons/day ~ 500 lb/day
$\frac{500}{.001}$ = 500,000 mi = .24 tons
can save half
1,000,000 miles on LPG saves .24 tons HC

G. M. SIMONSON & T. R. SIMONSON
CONSULTING ENGINEERS

EXHIBIT L

CASE NO. _____

Combustion $C \rightarrow CO_2$ 12 lb C take 32 lb O_2

$H \rightarrow H_2O$ 4 " H " 32 lb O_2

approx: If fuel is $(CH_2)_n$ 20 lb fuel takes 96 lb O_2
or ~ 500 lb/air. say 500 lb
combustion products for 20 lb fuel
(~ 3 gallons) round down to 150 lb exh./gal

Hydrocarbons To save .24 tons/day (480 lb) @ 80 ppm

$\frac{80}{1,000,000} \times lb = 480$

$lb = \frac{480,000,000}{80} = 6,000,000$ lb of exhaust

$\frac{6,000,000}{150} = 40,000$ gallons of fuel

Equivalent to $\frac{40000}{\cancel{24}} \times 15 = \underline{600,000}$ miles if 15 mpg.

Date 5-8-79	Job	Subject
By		
Sheet of	Job Number	

G. M. SIMONSON & T. R. SIMONSON
CONSULTING ENGINEERS

EXHIBIT L

CASE NO.

25,000 cars @ 30 mi = 750 000 mi

25,000 cars @ 30 mi/day = 750 000 mi

NOX 4064 tons/yr, 11 tons/day, 22000 lb/day

with LP, save 400 ppm from exhaust of about 7 lb/mile

$\frac{7 \times 400}{1,000\,000} = .0028$ lb/mile

$\frac{22000}{.0028} = 7,800,000$ miles

Date | Job | Subject

By

Sheet of | Job Number

0000012299

EXHIBIT M CASE NO._____

Henri J. Lewin

May 11, 1979

Dear Bill,

It was nice seeing you again. I am returning your dollar as our tours are much more expensive.

Sincerely,

Henri Lewin

Mr. Bill Hancock
Energy Utilization Engineer
San Francisco Division
Pacific Gas and Electric Company
245 Market Street
San Francisco, California 94106

Bill Hancock

SENIOR VICE PRESIDENT
WESTERN REGION
333 O'FARRELL STREET
SAN FRANCISCO, CA 94102
(415) 771-1400

EXECUTIVE VICE PRESIDENT
HILTON NEVADA DIVISION
3000 PARADISE ROAD
LAS VEGAS, NV 89104
(702) 732-5111

HILTON HOTELS CORPORATION

8004022399 2

EXHIBIT N CASE NO._____

SACRAMENTO BEE FEBRUARY 19, 1980

Meltdown. . .Will Diablo Canyon Sink PG

By Cheryl Clark
Bee Staff Writer

SAN FRANCISCO — PG&E Treasurer Jim Doudiet cautiously approached the sensitive question which today tugs on every utility executive's nerves.

Pacific Gas and Electric's growing pains admittedly have become a big fiscal headache. But just how serious? If the utility's $1.7 billion nuclear plant, Diablo Canyon, is found incapable of withstanding earthquakes and isn't licensed, could PG&E go broke?

Such circumstances would be "a fantastic impossibility," Doudiet told The Bee. "To the extent that we would engage in a major loss of our capabilities like that, well, quite clearly, we would reorient ourselves to carry out our customer obligations as best we could. However, it would impair our financial strength, certainly."

With its stock selling at a 12-month record low, 30 percent under $31 book value, PG&E could well be in bigger trouble than its officials are willing to let on, according to Irvin C. Bupp, a Harvard Business School utility financing expert and one author of the recent "Energy Futures."

"You can't expect PG&E to be totally frank and answer those questions without causing a self-fulfilling prophecy," he said.

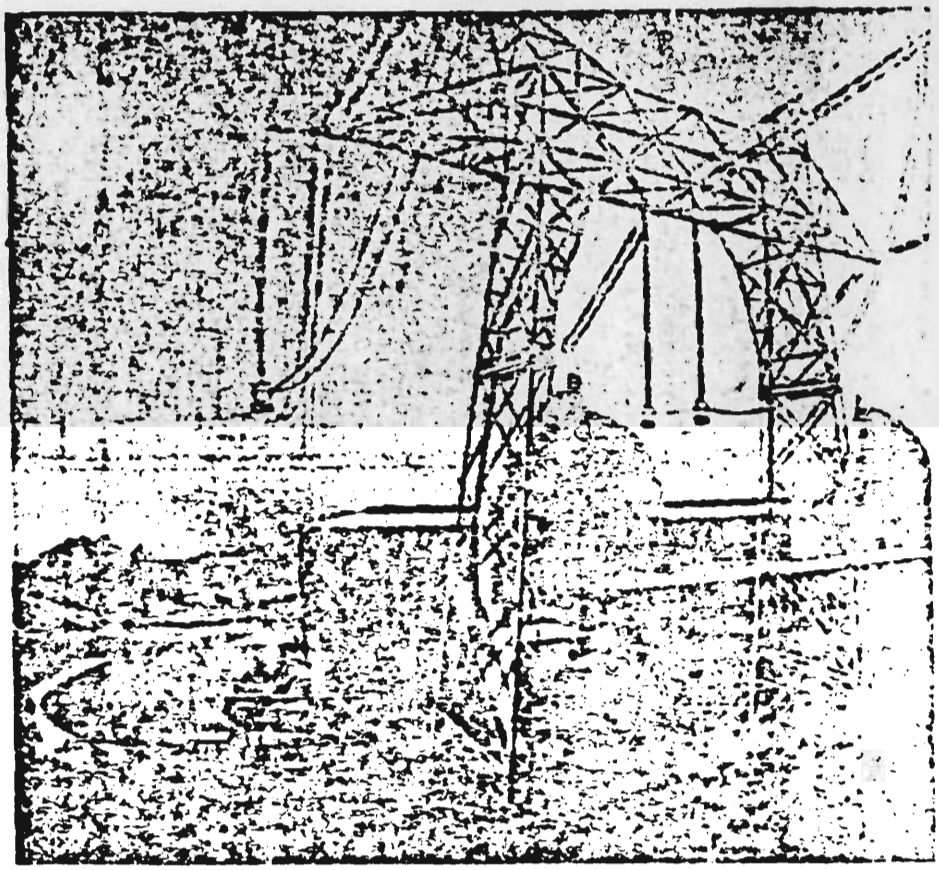
"The Diablo Canyon situation is a chronic toothache for PG&E. At worst, it could erupt in a serious hemorrhage. If the stockholders have to pay the costs of Diablo Canyon, it's the end of the road for PG&E."

"If Diablo Canyon is not licensed to operate and put into rates," said John Grenagle of the California Association of Utility Shareholders (CAUSE), "PG&E will go bankrupt."

PG&E finance analysts deny the company is in serious financial trouble. The utility just received AA and AA- credit ratings and expects that good standing to continue.

"There's no reason why PG&E should go bankrupt," Doudiet said. He attributed the low book value of stock to "an economy that is inflating at 13 percent and high interest rates.

"A lot of our problem is generic to utilities — it's totally unrelated to Diablo Canyon."



Work continues on the $1.4 billion Diablo Canyon nuclear power plant near San Luis Obispo.

A U.S. Nuclear Regulatory Commission decision not to license Diablo, however remote, would "require someone with immense political nerve and insight and wisdom into what is best for the customers. It would have to be based on a record that is absolutely clear: No matter what the benefits might be from Diablo, there are other more important things to consider," Doudiet said.

Bupp, who has studied PG&E's financing woes for several years, also is looking at other fiscally troubled utilities that share one common problem: They all have immense amounts of borrowed money tied up in nuclear power plants awaiting federal operating licenses. As in the case of PG&E's Diablo Canyon, the plants' construction costs will not be eligible for repayment through customer bills until the plants are safely operating.

In a possible precedent, the state Public Utilities Commission, which would decide that eligibility, ruled Dec. 19 that PG&E's customers should no longer pay remaining costs of PG&E's $22 million Humboldt Bay nuclear power plant, which the NRC ordered taken out of service in 1976. That decision left PG&E with $4 million more in annual costs, plus an unpaid debt of $35 million in structural reinforcement at Humboldt so it would withstand an earthquake.

If the NRC delays, and ultimately denies Diablo its license, the PUC could order PG&E's stockholders to pay Diablo's costs as well — a decision the PUC admits would force the company into claiming bankruptcy, or selling part of its assets.

Last month, PUC president John Bryson said the PUC is "very concerned" about the financial standing and health of California's regulated utilities. As fuel, construction costs

CASE NO. _____

BEFORE THE PBLIC UTILITIES COMMISS ION OF THE STATE OF CALIFORNIA

William b. hancock
AND numerous john does

vs.

PACIFIC GAS & ELECTRIC COMPANy

COMPLAINT

The complainant, William B. Hancock, states nder penalty of perjury that his complaint is true and correct under penatly law.

Complaint further DEMANDS THAT Edmund G. Brown Jr. , e himself available to the C. P. U. C. FOR examination under oath to the .P.U.C.. to explain to the ratepayers, taxpayers, and other payers of money to the State of California why he has been running around the country trying to become elected to President of the United States instead of being Governor e State of California, a duly elected office..

Complainant further demands that Edmund G. Brown, Jr. appear at the State e Building at approximately 455 Golden Gate Avenue, San Francisco, California Monday March 3, 1980 to appear under oath for examination by complainant at 10 A. M. (If he can't find the building, complainant will be pleased to ply a seeing eye dog)

Complainant also demands that all members of the Board of Directors of P G & E b RDERED TO appear at the same address to answer questions regarding the COMPLAI ted February 24th, 1980, TO FOLLOW THE Governor on the witness stand.

Dated this 2nd day of March, 1980. in San Francisco, California.

William B. Hancock

COMPLAINANT

WILLIAM B. HANCOCK

EXHIBIT N CASE NO._____

and financing costs rise dramatically, "they are under considerable stress . . . at a time in which I think the utilities and the ratepayers are particularly unable to bear" uncertainties related to nuclear power.

Bryson described such uncertainties as the so far unresolved issues of decommissioning old plants no longer suitable for operation and disposing of nuclear waste.

The problem is exacerbated by the present federal moratorium on new nuclear power plant licenses, but it is not limited to utilities with idle atomic plants.

As long as a utility's borrowed capital is tied up in any idle power plant that takes 10 years to construct, it will have serious cash flow problems. Bryson said investment in any utility facility that would have a long lead time is troublesome.

Diablo

Continued from Page A3

In an employee newsletter last Dec. 21, PG&E exective vice president Stanley Skinner said that the utility has "borrowed so much money, that we are approaching the maximum level obtainable." Skinner said the utility's "financial reserve margin is precariously thin. Until additional rate relief is obtained and supplemental financing arranged, we *must* find ways to defer and/or curtail expenditures."

In 1979, he wrote, PG&E operated with a record high cash deficit of $1.3 billion, far above the previous high in 1977 of $375 million. The reasons for the deficit: delays in state-regulated rate increases in fuel cost adjustments and the Diablo Canyon NRC decision delay, Skinner said.

While the plant is constructed, the utility must spend huge sums to pay interest on money borrowed to build the plant and purchase oil and gas to produce the power that Diablo would provide.

In addition, PG&E is paying stockholder dividends on profits that it *expects* to receive once Diablo's turbines begin turning, Bupp said.

In effect, "PG&E is liquidating the company," he said.

"I don't agree," said Doudiet. "A company that is liquidating doesn't have any future assets (such as Diablo Canyon.)"

PG&E's economist Alan W. Beringsmith noted that utility financing realities are changing. Like many utilities, PG&E finds itself paying interest rates far higher than the rate it receives through customer payments authorized by the PUC. Where before, the bulk of PG&E's facilities were built with money borrowed at 5 or 6 percent rates, today's interest rates soar into the mid teens.

By the time the difference is realized, it is too late to recover lost costs. The PUC can't set rates based on past costs — only on estimated future costs, Beringsmith said

He said PG&E is more favorably disposed to looking at conservation and solar power as better dollar investments. Helping with customer insulation, or installing co-generation might take only six months, compared to a far more expensive power plant that takes 10 years. And, the utility can "expense" the cost, getting a return in only a few months rather than waiting for a general rate case every two years.

"It's like borrowing from your MasterCharge at 18 percent to put money into your savings account at 9 percent," he said. "Obviously, you're losing something there." In fact, he continued, "every dollar we put into rate base we lose money on."

Beringsmith said the utility's lag problem could be remedied if the PUC would let ratepayers pay costs as new plants are built instead of after they are finished — a financing practice called "Construction Work In Progress" (CWIP).

But few utilities are allowed such a luxury, said PUC principal finance examiner Ray Czahar, who opposes CWIP. Putting CWIP into rates means PG&E customers could have already paid for part of Diablo Canyon, even if it is never licensed, he said.

Although PG&E's interest-recovery lag was somewhat abated by a PUC decision earlier this month, the company will never fully catch up on the interest paid for other expenses, said Czahar. Costs just keep rising faster than either the PUC or PG&E can predict every two years.

If Diablo is delayed by the NRC, the problem will get worse, affecting PG&E's ability to raise capital to build other plants such as its proposed $4.5 billion Montezuma coal plant.

"PG&E's financial future is clouded to a great extent due to its investment in Diablo and the uncertainty of when and if that investment will produce cash earnings for the utility," explained Czahar. "In my opinion, until Diablo Canyon is licensed and included in PG&E's rate base, the ability of PG&E to raise the billions of dollars necessary to fund new supply projects such as Montezuma is subject to great speculation.

"Potential investors will get suspicious that the utility can't pay dividends."

In fact, PG&E has delayed Montezuma, saying pollution controls will cost too much money. But that explanation was called a coverup by the state Air Resources Board's Gary Rubenstein. PG&E's decision to delay is based on its financing problems rather than the cost of air pollution, Rubenstein said.

"Anytime you have to raise this amount of money, you could expect some problem. But that doesn't mean we can't raise the money," said PG&E's Don Baxter. "We haven't tried to raise the capital for the (coal) project yet."

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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

San Francisco, California
Date: February 10, 1976
Resolution No. A-4508

RESOLUTION

BE IT RESOLVED that Rule 13 of the Commission's Rules of Practice and Procedure is hereby amended to read as follows:

13. (Rule 13) Time for Answers. Within thirty days after the date of service of the complaint, the defendant shall answer the complaint. The Commission, the chief examiner, or the presiding officer may require the filing of an answer within a shorter time.

Requests for an extension of time to answer shall be directed to the chief examiner, or the presiding officer, in writing, and a copy served on all parties. The request shall indicate complainant's acquiescence to the extension of time or the measures taken by defendant in his unsuccessful effort to obatin acquiescence. The chief examiner or the presiding officer shall notify the parties of his ruling.

If an amendment to a complaint is filed before receipt of the answer, the defendant's time to answer the complaint shall be thirty days from the date of service of the amendment, unless otherwise directed. Amendments to a complaint made subsequent to the filing of an answer need not be answered.

13.1 (Rule 13.1) Contents of Answers. The answer must admit or deny each material allegation in the complaint and shall set forth any new matter constituting a defense. Its purpose is to fully advise the complainant and the Commission of the nature of the defense. It should also set forth any defects in the complaint which require amendment or clarification. Failure to indicate jurisdictional defects does not waive these defects and shall not prevent a motion to dismiss made thereafter.

Answers must comply with the requirements of Rules 2 through 8, and include the full name, address, and telephone number of defendant and his attorney, if any, and indicate service on all complainants.

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BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

WILLIAM B. HANCOCK, Complainant, vs. PACIFIC GAS AND ELECTRIC COMPANY a California corporation, Defendant.	)	CASE NO. 10838

ANSWER AND MOTION TO DISMISS
OF DEFENDANT
PACIFIC GAS AND ELECTRIC COMPANY

MALCOLM H. FURBUSH
ROBERT OHLBACH
DANIEL E. GIBSON

77 Beale Street
San Francisco, California
94106

Attorneys for Defendant
PACIFIC GAS AND ELECTRIC COMPANY

MALCOLM H. FURBUSH
ROBERT OHLBACH
DANIEL E. GIBSON
77 Beale Street
San Francisco, California 94106
Telephone: (415) 781-4211

Attorneys for Defendant
PACIFIC GAS AND ELECTRIC COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

WILLIAM B. HANCOCK, Complainant, vs. PACIFIC GAS AND ELECTRIC COMPANY a California corporation, Defendant.	Case No. 10838

ANSWER AND MOTION TO DISMISS
OF PACIFIC GAS AND ELECTRIC COMPANY

Defendant, PACIFIC GAS AND ELECTRIC COMPANY (PGandE), a California corporation, whose mailing address is 77 Beale Street, San Francisco, California, and whose telephone number is (415) 781-4211, hereby answers and moves to dismiss the Complaint filed herein in accordance with Rules 13, 13.1 and 56 of this Commission's Rules of Practice and Procedure.

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I.

Although the document filed by the Complainant in this proceeding is styled a "Complaint," it is by no means the sort of complaint contemplated by Section 1702 of the Public Utilities Code. It makes no allegation that any PGandE service rule or charge is unlawful or contrary to Commission regulation, and to the extent it implies that PGandE's rates are unreasonable, it fails to meet the procedural requirements of Section 1702. It is instead a diatribe by a discharged and clearly disaffected former employee who indicates that he is preparing a lawsuit against PGandE (Complaint, page 28). Nevertheless, since this document has been at least tentatively docketed as a complaint, it will be assumed for purposes of responsive pleading that Rule 13.1 of the Commission's Rules of Practice and Procedure relating to the contents of answers to complaints is somehow applicable.

II.

The "Complaint" is a rambling, often confused document, anecdotal in character and based on "company rumor" (Complaint, page 7), speculation, and downright misinformation. In large part, it is a dredging up of matters that have already been or are being considered by the Commission in other proceedings. Examples of such matters raised by the Complaint are PGandE's contracts for the purchase of geothermal steam, the operations of the San Francisco steam sales system, affirmative action in hiring and employment, and a general management audit. These are all matters which have been or are now the subject of other

Commission proceedings. The filed material appears simply to be an attempt to support the opinion or allegation contained in paragraph 2 (Complaint, page 1) that PGandE's management has been "woefully inadequate in many areas of company operation." Assuming that this allegation were to be considered to be a "material allegation" regarding a claim cognizable under Public Utilities Code Section 1702 so as to require formal answer under Rule 13.1, PGandE denies said allegation.

III.

The so-called "Course of Action Requested by Complainant," comprised of 27 paragraphs of suggested Commission orders, is completely unnecessary and inappropriate even if this were a proper complaint proceeding. Most of these 27 paragraphs deal with proposals to revise various elements of PGandE's operations and management. As indicated above, many of these matters have already been considered by the Commission in other proceedings and it would be a waste of the Commission's time to rehash them here. Moreover, at this very time, in accordance with directives of the Commission, an independent management audit by the firm of Cresap, McCormick and Paget is well under way. The results of that audit are to be reported to the Commission.

IV.

Regrettably, Complainant has seen fit to include a variety of pejorative remarks directed specifically and by name toward a number of his erstwhile co-workers. Surely this sort of thing should have no place in a pleading filed with this Commission,

even if the subject matter of the pleading were properly cognizable by this Commission, which, it is respectfully submitted, is not the case here. In view of the animosity demonstrated by these personal references, it would be especially inappropriate to honor Complainant's request (Complaint, pages 21-23) that the personnel records of numerous company employees be subpoenaed and made available to the Complainant "for study." It is quite clear that this Commission is not the proper forum for the vindication of any personal disagreement which a former employee may have against PGandE or any of its personnel.

The "Complaint" should be dismissed for failure to state a claim cognizable under Section 1702 of the Public Utilities Code. That section provides in pertinent part that:

> "Complaint may be made. . . by written petition or complaint, setting forth any act or thing omitted to be done by any public utility, including any rule or charge heretofore established or fixed by or for any public utility, in violation of claimed to be in violation, of any provision of law or of any rule of the Commission.

Measured against this clear statutory language, Complainant's filing is clearly deficient. It alleges no violation of any law or of any order or rule of this Commission. Moreover, the filing cannot be considered as raising by inference any issue as to the reasonableness of PGandE rates since it does not comply with the procedural requirements of section 1702 regarding complaints on such issues.

//

If Complainant had a valid cause of action against PGandE, avenues of relief would clearly exist in other administrative bodies or in the courts, and in fact, the Complainant reveals (Complaint, page 28) that his attorney is preparing a lawsuit against PGandE. Thus, the "Complaint" filed before this Commission appears to be nothing more than an attempt by the Complainant to bring additional pressure on PGandE for Complainant's own personal purposes. Complainant, as a discharged former employee, is clearly unhappy with PGandE and wishes to create as much embarrassment as possible for the Company and some of his former co-workers by conducting a fishing expedition through numerous personnel files with the aid of Commission subpoenas. This Commission should not lend itself to such a personal vendetta.

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WHEREFORE, PACIFIC GAS AND ELECTRIC COMPANY prays judgment as follows:

1. That the Complaint be dismissed;

2. That no relief be granted to Complainant herein;

3. For such other and further relief as the Commission may deem proper and just.

Dated at San Francisco, California, this day of April, 1980.

Respectfully submitted,

MALCOLM H. FURBUSH
ROBERT OHLBACH
DANIEL E. GIBSON

DANIEL E. GIBSON
Attorneys for Defendant
PACIFIC GAS AND ELECTRIC COMPANY

V E R I F I C A T I O N

I, the undersigned, say:

I am an officer of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and am authorized to make this verification for and on behalf of said corporation, and I make this verification for that reason; I have read the foregoing answer and I am informed and believe the matters therein are true and on that ground I allege that the matters stated therein are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 4, 1980, at San Francisco, California.

Malcolm H. Furbush

MALCOLM H. FURBUSH
Vice President and General Counsel

CERTIFICATE OF SERVICE

I hereby certify that I have this 4th day of April, 1980, served the attached Answer and Motion to Dismiss Complaint of PACIFIC GAS AND ELECTRIC COMPANY by mail on:

Mr. William B. Hancock
533 Sutter Street
Suite 900
San Francisco, CA 94102

Becky L. Taylor

BECKY L. TAYLOR

8004022400 06

8 0 0 4 0 1 2 4 0 0 7

Atty copy

CASE NO. 10838

William B. Hancock
533 Sutter Street, Suite 900
San Francisco, Calif. 94102
Telephone 982-7375

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

WILLIAM B. HANCOCK, Complainant, vs. PACIFIC GAS AND ELECTRIC COMPANY a California Corporation, Defendant.	CASE no. 10838

ANSWER TO MOTION TO DISMISS OF PACIFIC GAS AND ELECTRIC COMPANY, AND MOTION TO DISMISS ANSWER, MOTION TO REQUIRE PACIFIC GAS AND ELECTRIC COMPANY TO ANSWER COMPLAINT WITHIN 10 DAYS, AND MOTION TO REQUIRE HEARINGS PRIOR TO ANNUAL MEETING OF PACIFIC GAS AND ELECTRIC COMPANY APRIL 16, 1980 FOR THE BENEFIT OF THE STOCKHOLDERS AND RATEPAYERS

Complainant, who is not an attorney hereby states that the last page of PG&E's answer is not true. This is the third time PG&E has claimed complainant has been mailed or received an answer, and the third time the company has either mailed the answer late, as is the case here, or has stated complainant received the letter when he did not. Exhibit O, CERTIFICATE OF SERVICE, AND Exhibit P letter of July 10, 1979 will serve to illustrate my point. The letter of June 21, 1979 was sent certified, and never received by complainant. Complainant was in New Hampshire on June 21, 1979, and did not return to

California until July 16th, 1979, at which time he picked up the July 10th letter. PG&E also sent a registered letter July 24, 1979 which Complainant did not receive. Both were returned to the company as undeliverable. During the 11 years Complainant was employed by the company, on many occasions mail put into the company mail delivery system to customers was postmarked late, and in one case resulted in a complaint because of untimely delivery. If the CPUC chooses to overlook the company's untimely filing, then complainant will respond item by item to the company's "diatribe".

II

Complainant must take sharp exception to the language used by the company in describing complainant's "personal vendetta". First, complainant would be delighted to inform the Commission and the company that he is the exact reverse of a "discharged and clearly disaffected employee.". He is delighted that he was discharged on such a phony and trumped up letter as Exhibit P, which contains many untruths in paragraph 2, especially the last sentence. Exhibit Q, 5/8/79, Exhibit R, 6/11/79, and Exhibit S, letter by Robert Andre Kimmich, M. D. will show how complainant was treated, and Exhibit T, will show that Complainant collapsed on August 27, 1979 in Reno, Nevada, which is continuing harassment by E. V. Lathrop as recently as this past week.

III

Complainant further requests that company refrain from any additional remarks about his termination. It is not an issue in the Complaint and is properly addressed in the Class action Age Discrimination Complaint filed with the U. S. E. E. O. C. on April 3, 1980. Claimant is also offended by the personal attacks in the Company reply, and wishes to make a comment similar to the

vicious language used in the Motion, and to comments Complainant has learned are being made in the "Executive Suite" regarding complainant's ancestry. Complainant hastens to assure the Commission and the company that his Mother will not run out from under the porch and bite his leg when he returns home for two reasons. First, she is deceased, and second, when Harry Truman uttered a variation of the same words, the nation was shocked. Exhibit U, is pages 119 to 121 of Hearings on Case 59463, including Complainants description of himself as former employee and stockholder. No reference is or will be made to his discharge, Nor is it germane to his Complaint.

IV

Complainant respectfully requests immediate hearings before the Annual meeting of April 16, 1980 to protect the ratepayers, stockholders, and public from additional high rates and mismanagement. Complainant comments that the Company reply could have been made by any Para-Legal the day it was received, and has been deliberately delayed to avoid its publication prior to the meeting. To assign Dan Gibson to write it is another proof of complainants allegation that the Law Department is not only overstaffed, but inefficient, and wasteful of ratepayers and stockholders money. Complainant withdraws his request for subpoena dated March 2, 1980, and respectfully request that Walter J. Farrell, Joseph Kelly, John S. Cooper, and Fred W Mielke appear, followed by any member of the Board of Directors who was a member during the "Good Government Fund" era. Examination of Mr. Farrell will take up to one hour, Mr. Kelly, about 20 minutes, Mr Cooper and all following him less than five minutes each, subject to a recall at a later date.

WHEREFORE, COMPLAINANT, WILLIAM B. HANCOCK prays judgement as follows:

1. That the Company's motion be rejected as untimely filed.

2. That the Company be given 10 days to answer the Complaint in writing.

3. That Hearings be immediately ordered and complainant given Subpoena and Subpoena Duces Tecum powers.

4. For such other and further relief as the Commission may deem proper and just.

Dated at San Francisco, California this 9th day of April, 1980. (Mr Gibson's complaint signature is undated, see page 6.)

Respectfully submitted,

William B Hancock

William B. Hancock,
Complainant.

CERTIFICATE OF SERVICE

I hereby certify that I have this 9th day of April, 1980 delivered a copy of the attached Motion, etc, to the guard on the desk at 77 Beale Street, San Francisco, California. (PACIFIC GAS & ELECTRIC COMPANY HEADQUARTERS BUILDING)

William B Hancock

William B. Hancock
Complainant

I declare under penalty of perjury that the foregoing is true and correct.

William B Hancock

WILLIAM B. HANCOCK
Complainant

EXHIBIT O

CERTIFICATE OF SERVICE

I hereby certify that I have this 4th day of April, 1980, served the attached Answer and Motion to Dismiss Complaint of PACIFIC GAS AND ELECTRIC COMPANY by mail on:

Mr. William B. Hancock
533 Sutter Street
Suite 900
San Francisco, CA 94102

Becky L. Taylor
BECKY L. TAYLOR

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EXHIBIT P

PACIFIC GAS AND ELECTRIC COMPANY

245 MARKET STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211 • TWX 910-372-6587

J. A. "ART" FAIRCHILD
DIVISION MANAGER

July 10, 1979

Mr. William B. Hancock
625 Post Street, #609
San Francisco, CA 94109

Dear Bill:

In my letter to you dated June 21, 1979, it was stated that it was necessary for you to contact your supervisor or other authorized Company personnel within a ten day period, beginning June 21, in order for you to have continued employment with the Company. Since you have not attempted to report to work or communicate with us during that time, your employment with the PGandE Company is hereby terminated. Your termination will be made retroactive to your last day of sick leave, June 21, 1979.

In the past your supervisor and I have expressed our concerns about your behavior and offered assistance to you. As an example, on May 9, 1979, Jerry and I met with you to discuss your behavior at the Steam Study Committee meeting the previous day. During our meeting, we expressed our concern and offered the services of an Employee Assistance Counselor to you, which you refused. After your actions of June 7, 1979, we again attempted to arrange a meeting for you with an Employee Assistance Counselor to advise and assist you. We went so far as to schedule a subsequent appointment for you for examination by our Company physician. We attempted to arrange this through your physician, Dr. Robert Kimmich. You refused to meet with the Counselor and go to our Company doctor. You have not communicated with me or your supervisor since that time. You also continued to perform unauthorized activities contrary to our instructions while on sick leave.

Please forward your Identification badge and Company keys to me as soon as possible. Your payroll check for the month of June 1979 is enclosed, as well as your personal check for $70.00 that you forwarded to Mr. F. W. Mielke with your letter of June 7, 1979.

It is necessary for you to complete Company forms concerning the final disposition of your participation in the Employee Benefit Plans to which you belong. As soon as these have been prepared, they will be forwarded to you for completion. A check for any unused vacation that you are entitled to will also be mailed directly to you.

Sincerely,

E. V. Lathrop

E. V. Lathrop
Division Marketing Manager

EVL:kmn

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EXHIBIT Q

5/8/79

Gerry:

I would like to request two weeks off without pay for personal business on the East Coast starting Monday May 14, 1979. I have nothing pressing, as my seminar this Friday will be over, and there is nothing scheduled that I know of, that must be done. I would appreciate this as my dad is 89 years old and in good health, but I can visit him while there on the business. I would rather see him alive now, that go back to a funeral later. Thanks for the consideration.

Bill Hancock

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EXHIBIT R

June 11, 1979

Mr. E V Lathrop

Mr. G Tyson has been harassing me about my work since May 2, 1979. I have tried to conform to his wishes, but they change every time he talks with me.

I have an appointment with my doctor June 12, 1979 to discuss the situation. I will submit the doctor's recommendations as soon as I have talked withhhim.

William B Hancock

William B Hancock
Energy Utilization Engineer

EXHIBIT 8

ROBERT ANDRÉ KIMMICH, M. D.
341 SPRUCE STREET
SAN FRANCISCO, CALIFORNIA 94118
TELEPHONE 752-5331

June 11, 1979

Personnel Dept.
PG&E
San Francisco, Ca.

To whom it may concern.

Mr. Wm. Hancock has been under my medical care for symptoms related to excessive stress.

I have advised him to take a minimum of six weeks for rest and further treatment. At that time I will re-evaluate his problem and make further recommendations.

I have written this letter with his permission.

Robert André Kimmich MD

EXHIBIT T

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT

REPORT OF ILLNESS OR PHYSICAL DISABILITY

TAKE THIS FORM TO YOUR PHYSICIAN FOR IMMEDIATE COMPLETION AND RETURN IT TO YOUR LOCAL CLAIMS OFFICE.

DATE 8/28/79 William Hancock 187-18-7861
(Claimant's Name) (S.S.A. No.)

The claimant named above has a claim for unemployment insurance benefits and indicated that you can furnish information concerning the patient named below. The information requested is needed to determine whether the claimant is eligible for benefits. Your cooperation in furnishing the requested information will be appreciated. (If completed for a patient other than claimant, disregard questions not applicable).

PATIENT'S NAME WILLIAM HANCOCK

1. Did you advise the patient to quit his/her last job for reasons of health? ..... Yes ☐ No ☒
   If yes, give date patient so advised _____.
2. Did you advise the patient that a move to another area would be necessary? ..... Yes ☐ No ☒
   If yes, give date patient so advised _____.
3. Was a specific length of time recommended for patient's stay in a new area? ..... Yes ☐ No ☐
   If yes, please indicate for how long: ____ Weeks; ____ months; ____ years; or permanently? ____
4. Patient was under my care from 8/28/79 2 PM - 2 25 PM (Date) to 8/28/79 (Date)
5. Nature of illness or disibility (lay terms) Psychosocial. Stress Problems.

   If condition is due to pregnancy, or recuperation therefrom,
   a. Give probable date of confinement: From NO to _____
   b. Is mother nursing baby? ..... Yes ☐ No ☐
   c. Is baby's physical condition such that it can be cared for by persons other than mother? ..... Yes ☐ No ☐
6. Date illness or disability occured Approx 4 months ago
7. Has patient been unable to work during any period while under your care? ..... Yes ☐ No ☐
   If yes, give dates: From _____ to _____
8. Has patient been released as able to work now at his/her usual occupation as a Utility Engineer ..... Yes ☐ No ☒
   a. If yes, on what date? _____.
   b. If no, date of possible return to usual employment _____.
9. If patient must now limit the kind, amount, or place of work because of his health, please explain limitation
   Under great deal of stress presently
10. General Comments

8/28/79 (Date)

J. Gerald Gibson, MD
(Signature of Physician or Institution Representative)

St. Mary's Hosp. Reno, Nev. 895
(Physician's Address)

ADDRESS OF OFFICE ORIGINATING REQUEST:	Nevada Employment Security Department Claims Office 800 Haskell Street Reno, Nevada 89520

OFFICE STAMP

Carey
(Liable State)

JCS-4194 (Rev. 11-75)

10010

EXHIBIT T

DOCTOR'S CERTIFICATE

Certification may be made by a licensed physician and surgeon, osteopath, chiropractor, dentist, podiatrist, optometrist, designated psychologist or an authorized medical officer of a United States Government facility. All items on this sheet must be completed. Please note letter from Robert Andre Kimmich copy attached.

11. I attended the patient for the present medical problem from: MONTH August DAY 28 YEAR 79 To MONTH August DAY 28 YEAR 1979 At intervals of: 25 minutes

12. History: Psychosocial stress problems

State the nature, severity and the bodily extent of the incapacitating disease or injury.

Findings: under great deal of stress presently

Diagnosis: under great deal of stress presently

13. Diagnosis confirmed by X-ray or other tests? Yes [x] No [ ] Findings:

14. Is this patient now pregnant or has she been pregnant since the date of treatment as reported above? Yes [ ] No [ ] If "Yes", date pregnancy terminated or future EDC.

Is the pregnancy normal? Yes [ ] No [ ] If "No", state the abnormal and involuntary complication causing maternal disability:

15. Operation Date performed [ ] Or to be performed [ ] Type of operation:

16. Has the patient at any time during your attendance for this medical problem, been incapable of performing his or her regular work? Yes [x] No [ ] If "Yes," the disability commenced on: Approx four months ag

17. APPROXIMATE date, in your opinion, disability (if any) should end or has ended sufficiently to permit the patient to resume regular or customary work. Even if considerable question exists, make SOME "estimate". This is a requirement of the Code, and the claim will be delayed if such date is not entered. Such answers as "Indefinite" or "don't know" will not suffice. (ENTER DATE) approximately 6 months

18. In your opinion, is this disability the result of "occupation" either as an "industrial accident" or as an "occupational disease" Yes [x] No [ ] (This should include aggravation of pre-existing conditions by occupation)

19. Have you reported this OR A CONCURRENT DISABILITY to any insurance carrier as a Workers' Compensation Claim Yes [ ] No [x] If "Yes," to whom? (Name of carrier or firm)

20. Further comments (if indicated): Attached is the signed statment of John W. Wilson, MD, who treated patient after patient collapsed in emergency room of St. Mary's hospital, Reno Dr. Wilson revied Dr Kimmich's letter and concurs that patient is under great stress

21. In what HOSPITAL was or is patient confined as a registered bed patient? Hospital name St. Mary's Hospital and address: Reno Nevada 89502 Zip Code

22. Date and hour entered as a registered bed patient and discharged from such Hospital pursuant to your orders:

ENTERED	STILL CONFINED	DISCHARGED
on 8/28, 1979, at 1:15 A.M. P.M.	on , 19	on 8/28, 19 79, at 2:30 A.M. P.M.

23. Would the disclosure of this information to your patient be medically or psychologically detrimental to the patient? Yes [ ] No [x]

I hereby certify that the above statements in my opinion truly describe the patient's disability (if any) and the estimate duration thereof, and that I am a Medical (TYPE OF DOCTOR) licensed to practice by the State of Nevada

John W Wilson, M. D. (PRINT OR TYPE DOCTOR'S NAME)

see signed Nevada Employment Security form NUCS-41 attached (SIGNATURE OF ATTENDING DOCTOR)

235 W 6th St, Reno, Nev. 89503 (NO. AND STREET, CITY, ZIP CODE)

895 (STATE LICENSE NUMBER)

323 2041 (TELEPHONE NO)

8/28/79 (DATE OF SIGNING THIS FO)

more than one rate design during that period at various levels.

To the extent that it is -- that it is a necessary ingredient, it may already exist.

If the ability existed to arbitrarily implement various rate designs and see what the results were, that might be helpful.

I'm not familiar with the details of the studies that are now being undertaken pursuant to that order, but I would expect that the data that is going to have to be used is data that is now pretty much available.

MR. FLORIO: That's all I have, your Honor.

Thank you very much, Mr. Fairchild.

ALJ GAGNON: Mr. Hancock?

MR. HANCOCK: Yes, your Honor.

The staff attorney suggested I make a short statement.

ALJ GAGNON: Oh, excuse me, I didn't -- I meant to go through you. Does he have a statement?

You were handling it, and I didn't mean to go around you.

MR. GRANT: That's perfectly okay.

I spoke with Mr. Hancock a few minutes ago, and he told me he would like to make a short statement and then undertake some cross-examination of the witness.

STATEMENT OF MR. HANCOCK

MR. HANCOCK: I am a former employee of PG&E for eleven years.

I am presently a stockholder. My stock has declined from $34 to $21 a share.

I had to sell it off, some of it, last December at

a loss.

I have filed a complaint, No. 10838, against the company on February 24th, 1980.

The complaint alleges woeful mismanagement.

It has 27 causes of action, and as of this morning, the company has filed a motion to dismiss the complaint.

The experience I had with the company prior to my being in the heating, ventilating, and air conditioning business, and prior to my managing my own accounting firm with 200 customers for a period of four years, induced the company to hire me as an air conditioning engineer.

I was one of the major energy conservation engineers in the company.

I was the steam system engineer in downtown San Francisco, and have appeared before the Commission on two occasions as a witness at the request of the Administrative Law Judge to explain testimony that couldn't be understood.

I was administrative analyst on the San Francisco Division Manager staff for four years, and privy to much confidential company data.

I would like to state, and I don't know if this is right, your Honor, but Bill Fairchild and I are friends. We have appeared in rate cases.

Bernard Della Santa and I are friends and have appeared in rate cases.

I have no animosity towards any PG&E employee I might question.

But, I would like to ask your Honor to call two witnesses to demonstrate the company's conservation efforts

as a result of the particular case, because I feel that the amount of ECAC being requested is inflated beyond what it should be and less oil should be purchased.

And that's the basis of my reason for appearing.

I would mention two other things.

I filed a class action age discrimination suit against the company with the EEOC in order to be protected against any retaliation, and this will be on behalf of all employees.

I cannot file a female age discrimination, so we are going to get someone to file that, because the company is discriminating grossly against females.

And I am filing a violation of my civil rights through the Civil Liberties Union within the next two weeks.

With that behind us, I would like to ask Mr. Fairchild some questions, and again, I point out, your Honor, there is no animosity between Bill and I at all.

ALJ GAGNON: Proceed.

MR. HANCOCK: Bill -- may I call him Bill, your Honor, is that all right, or Mr. Fairchild?

ALJ GAGNON: I prefer Mr. Fairchild.

CROSS-EXAMINATION

BY MR. HANCOCK:

Q Mr. Fairchild, how much did it cost to transport the oil from storage to the boilers and is that included in the figures quoted?

A The answer to the first part of that question is I don't know.

The answer to the second part is no.

Q Do you know how much it costs for pollution control

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BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

RECEIVED
MAY 6 1980
LAW-CPUC

WILLIAM B. HANCOCK,

Complainant,

vs.

PACIFIC GAS AND ELECTRIC COMPANY
a California corporation,

Defendant.

CASE NO. 10838

ADDITIONAL MOTION TO CLARIFY AND COMMENT
ON RECENT EVENTS AND DECISION No. 91721
April 29, 1980.

Complainant received Decision 91721, in which he was a protestant on May 1, 1980. Complainant on page 24, paragraph 10 of his complaint has asked the company to submit a rate design of 25¢ per kwh for all advertising signs, etc. The decision wisely adopted the staff rate spread of 6.389¢/kwh which will tend to reduce non lifeline usage. Complainant, however, as a former Energy Conservation Engineer (1972-3,)and Energy Utilization Engineer (1977-9) of his own experience states that though residential conservation is vital, review of the 1979 Annual Report S.E.C. 10K report, C.P.U.C. 77I report, and Financial Reports shows that residential electric sales were 19,605,541 KWH (all in thousands) while C. I. A. Commercial Industrial Agricultural Sales were a total of 36,860,217 KWH (thousands) almost double those of residential. CIA are much more elastic than residential, and more controllable. For example, a recent newspaper article discussed a thrust to convince farmers to utilize off peak power for agricultural pumping. This should have been a major item years ago. Night irrigation has less loss, and would reduce peak daytime KW demand in summer, the highest peak period.

Further, there is great potential in reduction of total use, as well as lower KWH and KW demand, if a major thrust AT THE PROFESSIONAL ENGINEER level, not the Energy Audit program, which is a company Empire Building fiasco, brought you by John S. Cooper Vice President, Attorney UC. Berkeley, Boalt Hall, 1957, Llb.

Complainant wishes Company to explain why Mr. Cooper has now moved his group to a brand new office building of Bechtel at 333 Market, wasting ratepayers money in high priced space, when the consolidation could have just as easily rented low cost space in an office building in China Basin, Concord, Richmond, etc, with computer terminals connected to 77 Beale.

II

Complainant now shall dispell for once and for all the notion advanced by the company that he is a "clearly disaffected" former employee and should be dismissed "out of hand". Complainant is a "clearly disaffected" former present and future stockholder, and ratepayer, whose stock has declined, and who had to sell it off in December 1979, at a considerable loss. Complainant has also in the past invested in Con Edison, and Consumers Power, Southern Pacific, United Airlines, Monsanto, Eastman Kodak, and other stocks, and has only LOST money on PG&E, because of it incompetent management, (if you wish to dignify it by calling it managemant.) Any remedies Complainant is seeking are being handled by complaints filed with the E. E. O. C. (Age Discrimination), & (Sex Discrimination), U.S. Dept. of Labor, Employment Standards Administration, Office of Federal Contract Compliance, (Hiring, promotion, downgrading, etc.), State Fair Political Practice Commission, Enforcement Department, the Federal Election Campaign Act Amendments of 1974, (Mr. Cooper contributed $365.00 from 1/1/77, $240.00 cum. 1/1/76 $150.00 cum. 12/31/78, and $300.00 cum. 12/31/79. His Boss Mr. DeYoung contributed $180.00, $120.00, $60.00, and $120.00 repectively.

Does Attorney Mr. Cooper know something his boss doesn't know about political contributions? To finalize (ridiculous word) Conway's Law (pages 34& 35 Readers Digest, May 1980 states, "In any organization there will always be one person who knows what is going on. This person must be fired." Complainant during his 11 years with the company tried from within to get management to operate more efficiently, but was unsuccessful to even dent the "cover your ass" and "don't make waves" philosophy of "senior management". Complainant would prefer "astute" or "efficient", as all "senior" in Websters is 1. the older, and 2. Superior in rank, length of service, or office. The specific reference in Exhibit P was the meeting on May 9, 1979 when complainant was exasperated at Mr. Lathrop's refusal to realize the impact of the Gas Departments 8 year policy of not upgrading the Steam System. Exhibit B, pages 260 and 410 had been shown to Mr. Lathrop during the meeting, but he was only concerned with Complainant's "attitude", not the comments of ALJ Gillanders, which stated in part "at this stage of the game I would have to point out the inadequacies of the internal management of PG&E, etc. ALJ Gillanders, Mr. Robert Laughhead of the SF City Attorney's office, Mr. William Bennett, former Commissioner, and Complainant have all observed that from within and outside the company. Except for Mr. Bennett, all have worked for the company, and ALJ Gillanders has, for about 25 years tried to reform the company in hearings. Complainant again wishes to compliment him, and state he is the best judge of any Complainant has ever seen in action, and knows a great deal more than even Complainant about the woeful "management" of what could be the greatest utility in the world.

Complainant is going to be a Protestor at all future rate hearings, assisting TURN, and any other consumer group, and now wishes to confirm calls to Commissioner Sturgeon's office and the Securities and Exchange Commission, when Mr. Hancock was refused entry to the Annual Stockholders meeting at Masonic Auditorium in violation of S. E. C. regulations. Specifically this is what happened. Two "little old lady" stockholders took copies of the Company and Complainants motions into the meeting and handed them out inside. Mr. Hancock stayed outside and gave them to entering stockholders. The company had issued tickets for entrance to the meeting. When Mr. Hancock as a lone entrant presented a ticket which stated "Hancock employee, as designated by the girl at the counter a sergeant of the security force demanded additional identification, stating he was not Mr. Hancock, employee. At the time Complainant left the Company there were three or four Hancocks in the General office complex, all unrelated, and all stockholders. The Guard confiscated the ticket, and threatened Mr. Hancock with arrest if he did not immediately vacate the premises. The only person who knew that Mr. Hancock intended to propose a new slate of directors (which was to include Henri Lewi, Ed Daly, Robert wilson, Ralph Nader, William M. Bennett, Leonard Ross, Dr. Edward Teller, T. H. Simonson Donald Bentley, and Tom Hayden, among others) was Mr. Richard H. Peterson, Director. The company will obviously go to any ends to stop Complainant from attempting to get competent management into its headquarters. Mr. Hancock had his 39. trasop share proxy in his pocket, but did not offer it to the guard. The ticket was designed to obviously keep Mr. Hancock out, and it succeeded. Complainant is aware the C.P.U.C. does not have jurisdiction over annual meetings.

III

Now let us proceed to page 24, paragraph 9. of the original complaint. The PG&E law department is practicing age, sex and minority discrimination. According to data in the 77I report, in 1979, the average male full time attorney made $46,333 per annum of 57 attorneys, and for 8 females the average was $26,875. With fringe benefits and expenses the male figure is $69,499 plus about $4,000 average expense, a total of $73,499. The average female figure, with much lower fringe benefits (stock plan) made about $32,250, plus small expenses. By contrast to operating Departments the law department is grossly overpaid, with obscene salaries. Mr. G. F. Clifton, Jr. Manager, East Bay Division, the largest, was given a raise of $1,966 when promoted from a very small division, Humboldt, to the largest division with over three thousand (3,000) employees.

Mr. Malcolm H. Furbush received a raise of $11,855 in 1979. His total compensation in 1979 was about $137,500, plus about $9,000 expenses, a total of $146,500. Mr. Richard A. Clarke received a raise of $11,046, to $73,796 in 1979, which would total about $118,000 including expenses. Mr. John S. Cooper's raise was $12,220 to $75,054, which would total over $124,000. Mr. Stanley Skinner, Exec. V.P., who has responsibility for the company's poor cash flow position made $35,000 in 1974. He made $93,278 in 1978, and $125,168, incl.expenses in 1979. Mr. John Sproul, V.P. made $55,627 in 1974, and $129,230 in 1979, which with fringes would be $193,500. Mr. Fred W Mielke, Chairman, made $60,000 in 1974, and in 1979 $190,635, which with fringes is at least $285,953 plus directors fees. His 1980 salary is approximately $225,000 base, which with fringes and expenses and directors fees would approach $347,500. The actual figures are conviently omitted from the 10K report by a statement that it was in a proxy statement filed with the S.E.C. March 12, 1980. It could therefore not be mailed to stockholders in time for the annual meeting.

To dramatize the difference between operating and non operating personnel, the following table is presented: (Salary only, 1979)

Malcolm Furbush, V.P.	$ 91,835	$83,750	Howard Braun, VP Elec.
K. Diercks. Public Act.	$58,290	$57,108	G. Clifton, EB Division Mg:
Mr. Davis, Dir. Fed Ag. This includes exp.	$59,072	$51,915	C. Altman, EB Steam Supt. (same)
R. Cunningham, Pers. Dept W Bonbright III Ind Rel	$51,315 $56,250	$47,250	H Boyett. Santa Rosa Dist.
J. Englert, Attorney (joined Co. 1974)	$39,460	$42,570	L. Abell, Automotive Dept.
B. DellaSanta, Attorney	$47,880	$57,140	R. Benton, Materials Dept. (buys oil)
L Gardner, Rate	$53,530	$54,560	S Howatt, Sacramento Div. Manager
J. Kinder, SF Div Pers. Manager	$43,410	$46,665	K Robin SF Cust Serv. Mgr. (meter reading and collecting $ from 700,000 customers
E Iathrop, SF Div Mktg Manager	$51,980	$51,450	G Radford San Joaquin Division Manager
C. A. Miller, Pipe Line	$51,675	$38,370	P Damask, Admv Analyst, Executive Office making recommendations of budget and manpower costs for President and Chairman to sign.
D Baxter, Pub. Inform. (employee magazines)	$53,300	$70,500	H McKinley, VP Gas operations
C M Brown, Comml Analyst J Cannon, "	$43,350 $41,030	$49,025	KLC Dorking, VP LNG to bring LNG to Calif.
E. Heim, Consv.	$40,020		
R. Hoffman, P. & O. (His department ignored when planning company improvement in efficiency)	$41,970		
G. Satrap, Mgr, Contr, Administration	$38,500		

It seems to be historic in recent PG&E to pay non-operating personnel, lawyers, public affairs, and other non-support personnel on a much more lavish scale than operating personnel who supply the service to the customers. It was not that way in the old days.

Now to some other, incredible items in this day of high rates. Complainant attended a meeting at the P. U. C. last week when the Citizen Labor Energy Coalition was trying to get the company to "hard bargain" with the oil companies. First, the witness was not only unresponsive, but was unqualified to answer the questions. Complainant arrived late, and could not participate when ALJ Power, probably rightfully so, refused Complainant permission to question the witness. The witness should have been Mr. Ray Benton Manager of Materials, who during the last crisis flew tens of thousands of miles buying spot, contract, or any other kind of oil he could get his hands on, and did a magnificent job. During the meeting Complainant sat next to Mr. Roy Davis, head of the new Revenue Requirements Department, who gave Complainant his Annual and 10K Reports, and commented during the questioning about Canadian Gas that the company had reduced taking of any more than minimum, because the company has a GLUT of high priced oil they must burn, or keep in the PG&E tanker fleet anchored in the bay, collecting high demurrage charges. Mr. Davis was unaware Complainant had left the company, and called him "the old steam man", which he was. Mr. Della Santa was also unresponsive to the questions previously posed by the Coalition, and was obviously there to obfuscate, rather than illuminate the issue. Complainant now states, not alleges that Mr. Furbush in his Motion is trying to sweep complainant under the rug by stating, in part, Examples of such matters", are PG&E's contracts for purchase of steam, etc. which "are all matters which have been or are now the subject of other Commission proceedings." The fact is that Complainant now alleges, and will prove that rates are too high, expenses are grossly high, and refers to page 4, lines 14 through 18, of company's motion to dismiss, plus page 3, lines 4, through 8, with some following examples

These examples are from the 77I, and annual financial reports to the CPUC, FROM 1974-1979

		Comment and question to company
Excursions to and dedications of company facilities		How does this contribute to lower rates, and were salaries included?
1978	$458,398	
1979	$560,102	
United Bay area Crusade		Complainant heartily approves of this, as it helps minorities, senior citizens, alcoholics, etc to a better life and makes them eligible to become employees as happened with a female former alcoholic, who is now with PG&E after the Salvation Army rehabilitated her.
1974	$365,000	
1975	$400,000	
1976	$ 35,950	What happened in 1976?
1977	$441,455	
1978	$460,000	
1979	$559,360	

	SF Opera Assoc. & endowment fund	Nat Conf. Christians & Jews	
1974	$ 19,500	$ 1,500	Which benefits the ratepayers more, the opera, which most of them never will attend. Other examples below.
1975	19,500	$2,750	
1976	19,500	1,500	
1977	19,500	1,500	
1978	15,000	1,500	
1979	15,000	1,500	

	1979	
Golden Gate Coll	$ 16,000	Mr. Furbush has denied Complainants entire complaint. Complainant alleged discrimination. If giving a total of $583,482 in 1979 to colleges, etc, with $7,500 going to the United Negro College Fund, and $1,000 to East Oakland Youth Development is not discrimination, Complainant asks company explanation.
Pacific Coll	4,500	
Pac. Union	8,000	
St Mary's	12,000	
Stanford ($100,000 up to 1979	85,000	
Santa Clara	30,000	
SF State	44,000	
Pacific	32,000	
Michigan State was 7,000 in 74 & 75)	3,500	Further, Mr. Furbush's salary in 1974 was $49,800 and in 1979 it was $91,835, an increase of 84%.
UC Berkeley	100,000	
SF Performing Arts	25,000	
East Oakland Youth Development (1978)	1,000	Does the company maintain that college expenses in 1979 are exactly the same as in 1974?
United Negro College fund	7,500	
Boy scouts	3,188	
Campfire Girls and Girl Scouts (was $365. in 1978)	0	
Salvation Army (was 424 in 1978)	0	
SPUR	3,844	
Calif Taxpayers Assn (1978)	30,025	

Without further tabulation, other items are $50,000 to SF Performing Arts Center, (total) $2,125 to American Cancer Society, $2,000 to the NAACP (first time was 1979 that Complainant could find.) $19,500 to Providence Hospital, $2,000 to LegalAid, SF (up from $1,500 in 1973), 0 to National Environmental Development Association (was $1,000 in 1974 and 1975), and finally, every year the magnificent sum of $2,250 to National Council on Alcoholism, BA, which costs the company millions of dollars in lost wages every year.

There are many other items, but Complainant is not trying to waste Commission or Company time, only to point out that if money is going to be given to Charity and colleges, etc, it should be increased every year to match inflation, and be spent where it would be most cost effective, that is not $200,000 to Stanford and Cal, and $7,500 to United Negro College Fund, and $1,000 to Oakland Youth. Oakland Youth need help to get starting jobs. College people at least can get starting jobs. Elimination of the Excursions would release $560,000 plus lost wages to pay for useful items.

V

The last item, which was touched on by the Coalition, but lost in the questioning is subsidiary companies. The annual and 10K reports mention only the two big ones. Others are: Gas Lines Inc., Natural Gas Corp of Calif., Alaska Calif. LNG Company, which Complainant believes will share in over one billion dollars of expenditures, Pacific Gas LNG Terminal Company, and Pacific Gas Marine Company. Complainant believes Pacific Gas Transmission stock has gone from $12.00 to $36.00 a share, but employees are not offered the option of including it in the stock purchase plan. In 1979 $815,060,069. was debitted, and $809,062,675 was creditted to those companies.

WHEREFORE Complainant prays judgement as follows:

1. That Company be required to answer this motion in 10 days.
2. That Complainant be allowed to institute data requests, or be informed if he can do so at present time.
3. For such other and further relief as the Commission may deem proper and just.

Dated at Sacramento, California, this 4th day of May, 1980

I declare under penalty of perjury that the foregoing is true and correct.

Respectfully submitted

William B. Hancock

William B. Hancock
Complainant

CERTIFICATE OF SERVICE

I hereby certify that I have this 5th day of May, 1980 served the attached Additional Motion of William B. Hancock by mail on:

Pacific Gas & Electric Company
77 Beale Street
San Francisco, California., 94106

William B. Hancock

William B. Hancock

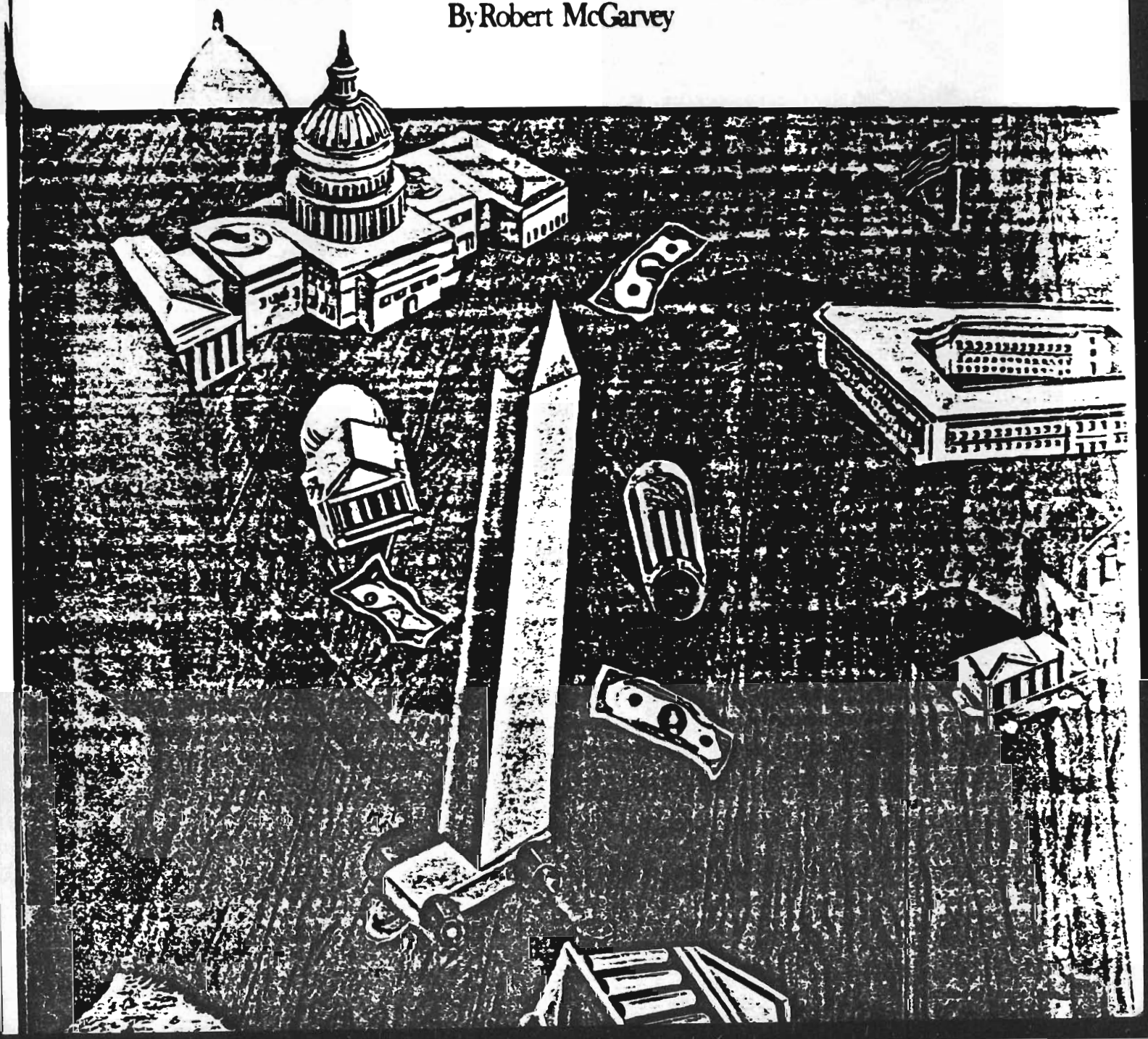
SUCKING AT THE BIG BUSINESS TIT

How corporate political action committees spell "free lunch" for politicians

"Money is the mother's milk of politics," quips Jesse Unruh, the Big Daddy of California politics. Right as Unruh is, the milk *has* soured, and campaign-finance reform legislation is the culprit.

Heralded as the way to bring the "little man" back into the mainstream of politics, the Federal Election Campaign Act Amendments of 1974 saw to it that he was in there alright, but without a pad-

By Robert McGarvey



dle. "That law wasn't reform," relates a longtime Washington politico. "It was criminal."

Three initials, *PAC*, did the "little man" — you and me — dirt. Shorthand for Political Action Committee, PAC is a fully legal way to ship money by the carloads to political candidates. Long-cherished tools of big labor, PACs — until passage of the "reform" legislation — were flatly denied big business. Corporations, the laws plainly stated, could not donate funds to candidates running for federal offices. Business did not resent the restriction — it simply ignored it. But post-Watergate investigations saw corporation after corporation biting the bullet for illegally laundering money that wound up in the bank accounts of America's elected elite. The jig was up, and business went scouting for another, a legal, way to buy candidates.

The 1974 Federal Election Campaign Act provided the "legal" answer. If PACs are good for labor, business figured, they will be even better for us. Congress, smelling hard cash, rapidly wrote the reform law that gave birth to PACs for all — a "reform" that allows any corporation to set up and run, as management sees fit, a political action committee. The PAC duns employees for cash, and the cash is in turn handed out to powerful politicians.

The mother's milk is flowing ever greener. Eager for political influence, hundreds of corporations rushed to form PACs as soon as word spread of this aboveboard way to buy the men in Washington. Justin Dart, head of the multibillion-dollar Dart Industries, candidly tells why his company formed a PAC: "You can't go to a congressman on a point of principle, or a point of faith, and get that congressman to vote your way if you go there with an empty basket. It just won't work." The message is all too clear: PACs have been created to make certain that the baskets are always full and that congressmen know which way to vote on these "points of principle" if they want to keep the baskets brimming with greenbacks.

Not all corporate heads are as bold in their approach. Robert Anderson, chairman of the mammoth ARCO oil company, understates by simply calling the political arena "a neglected area of corporate responsibility" — although it's an arena Anderson is actively urging his corporate brethren enter. To underline the point, ARCO produced a videotape (at a cost of thousands of dollars) on the pleasures of PACs and then shipped copies to America's 500 top firms.

Reginald H. Jones, General Electric's boss, is even lower key. Jones restricts his pronouncements on GE's role in politics to internal communications. In one such letter, the kickoff for GE's successful PAC, Jones informed his top staffers that this "is an unusual, personal communication on a subject which I hope you will agree is vital to each of us." The subject? Money with which to grease the political wheels. Within six weeks after distributing the letter, Jones boasted of a kitty totaling over $75,000 collected from 352 executives during a *non-election* year.

But the GE total is hardly unusual. Dart Industries, brags Justin Dart, "raised about $100,000" in one year. At ARCO, the PAC's treasury rang in at $65,000. Standard Oil of Indiana's AMOCO PAC netted $265,000. International Paper covered the walls of Congress with $163,000. Union Oil came through with more than $100,000 for its friends. Add up the totals of America's 1,000 corporate PACs, and the dollars available to political candidates easily eclipse the $10 million mark.

> *"What would you do if your boss told you why you should contribute to the PAC? You'd give."*

Where does the money come from? *You!* That's right, employees at Dart, ARCO, Dow Chemical, Lockheed, General Telephone and hundreds of other companies eagerly dig deep into their pockets to fork over money to their respective PACs. That's because companies, while permitted to pay the initial and administrative costs for their PACs, are still barred from giving their own corporate-earned cash to candidates. The burden of giving falls squarely on the shoulders of employees.

How much should you give? Other than setting a $5,000 maximum annual contribution by an individual to a corporate PAC, federal laws are, as usual, mute. But Justin Dart wants to make it easy for you. "It's very important," Dart stresses, "to provide suggested contribution guidelines. They are the key to the whole thing. At Dart we don't go to people making less than $25,000 annually. Call it 'the elite,' although $25,000 isn't so damn elite anymore. But we ask the $25,000 guy for $100. At $50,000, we ask for $350. We scale up to $100,000, asking for $1,000. I put in $5,000, the maximum permitted. Everyone thinks that's a very low schedule."

Not everybody. Certainly not the junior executive making $25,000 who is in hock beyond his elbows and sweating out next month's car payment, not to mention a C-note for a political campaign. Odds are, however, he will shell out. At Dart Industries, 70 percent of the staff does. If the United Way received a mere *seven* percent return on its solicitations, there would be partying in charity heaven. But PAC solicitations are different.

Raymond C. Christie, a middle manager with Baker Perkins, Inc. in Saginaw, Michigan, pinpointed the difference in a cogent letter to the Federal Elections Commission (FEC) — the body set up by Congress to oversee campaign contributions. After the FEC extended PACs to even more companies than were currently allowed, Christie wrote, "Your decision subjects thousands to the pressures of corporate managers to contribute to the party or causes that management deem important. An employee is expected to go along with management decisions. To refuse means that one is not part of the team, and that is a major factor when the company considers salary increases and promotions." What Christie means is that $100 is not merely a contribution to a PAC. It's an investment in *your* future, and it just may be an essential rung on the corporate ladder.

Just ask Justin Dart. "People get a little bit amused," Dart laughs, "when I say we do not tell anyone what to give, but we sell the hell out of them. There is a difference. We try to make people want to give because it's *right*, because it's good for them — for their own self-interest."

The one inviolable rule of PAC operation stresses that actual or threatened physical force, job discrimination, or financial reprisals should never be used in the solicitation process. An employee *cannot* be told to give or get out, and even a strong scent of coercion will put a company on the FEC's carpet. But, laments an oil-company staffer, "This company is more subtle than that. It doesn't need a club. What would you do if your boss told you why you should contribute to the PAC?" The answer is obvious — you'd give. And so would thousands, even millions, like you.

All companies swear that no promotion decisions are predicated on whether an employee antes up or not. But the same companies swore a few years ago that *no* illegal campaign contributions passed through their treasuries. Still, to sweeten the pot, most companies insist that PAC fund-raising be cloaked in

continued on page 86

BIG BUSINESS

continued from page 18

anonymity. "The names of contributors," ARCO proclaims, "are not available to Atlantic Richfield personnel."

But Justin Dart, the man Ronald Reagan lauds as a "pioneer" when it comes to getting PACs to work smoothly, *knows* that's not really true. "Who gave and who didn't give is not confidential," Dart insists. "That's horseshit. It's wrong! You can make it confidential, but your plan won't work. People who are shirking their responsibility, if they know you don't know what they've done, will be less willing to give. There's no question about that." Worse still, Dart continues, "anonymity is a myth. *Anyone* can go to the Federal Election Commission and get the details on contributions over $100. They'll give the whole list . . . names, the whole thing. There's no anonymity at all."

That's true of all PACs, no matter how vigorously they promise anonymity. By law, every PAC must file periodic reports (available for public inspection) with the FEC. The reports detail where the money came from, and also list the name, business address and job title of each donor contributing $100 or more. "There's nothing to stop an employee's supervisor from buying the report and using it as he sees fit," concedes a former staffer with ARCO's PAC.

Once the bucks start rolling in, the corporation is faced with doling out the largess. But that's no problem. Says Dart, "I have a right to decide where this money goes. If you make this a hoi polloi decision, it ain't going to come out very well. They don't know where the money ought to go." Most companies agree, and follow Dart's lead. Contribution committees, staffed by top management, are set up to see that PAC cash is distributed to the right people.

People like Colorado's William Armstrong, for example. November 1978 saw Armstrong mounting a drive to unseat Floyd Haskell, an entrenched Senate Democrat with a seat on the critically important Senate Energy Committee, where the legislation that determines the profits of America's oil companies is drafted. No friend of big oil, Haskell's campaign notched a lonely $200 token contribution from Union Oil's PAC. But Armstong found himself awash in black gold. More than $17,000 from 15 major oil companies flowed into Armstrong's campaign by mid-October. By election day, preliminary reports show that even more cash came his way. Not surprisingly, the conservative Republican handily defeated Haskell — and the big oil companies rid themselves of a foe on a key Senate committee.

Former Minnesota Senator Wendell Anderson can tell the same sad story. Another liberal name on the Senate Energy Committee, Anderson popped up on dozens of oil company hit lists. His election day opponent, Rudy Boschwitz, logged $10,560 in oil money — and Anderson bit the dust. Scratch another corporate enemy.

The fates of Haskell and Anderson go to the heart of the corporate PAC strategy. PACs and other interest groups, explains senior vice-president of Common Cause, Fred Wertheimer, "are focusing on members of committees that have jurisdiction over their issues. PAC money is investment money." And companies are making the best investments that they possibly can.

True, there is a $10,000 limit on a PAC's contribution to a single candidate, with that sum evenly split between primary and general elections, but there is *no* limit on the amount of money a special-interest group can pump into a single campaign. The top dozen oil company PACs can band together in selecting an enemy — a Haskell, for example — and that candidate's opponent could find himself $120,000 richer.

But PACs work both ways. Just as enemies are punished, so friends are rewarded — lavishly. Congressman Mike McCormack (D, Wash.) can testify that big business is a mighty good friend. Last year, McCormack shocked organized labor by voting against a key bill, the common site picketing measure. McCormack knew what he was up to. By the time his primary rolled around, McCormack, according to the *Wall Street Journal*, had already logged more money from business PACs than he had from *all* sources during his *entire* previous campaign.

Incumbent senators, too, are on the gravy train. John Tower, a conservative Republican from Texas, found himself in a bitter and tight race last November. But his friends came through — and handsomely. Twenty percent of his *total* funds came from energy interests. Jennings Randolph, an enormously powerful Democratic senator from West Virginia, nabbed 79 percent of his contributions from out-of-state sources — many of them coal and oil companies whose future he determines as chairman of the Senate Committee on Environment and Public Works. Tower and Randolph are not unusual cases. Incumbent senators are increasingly finding that the bulk of their campaign funds come from out-of-state, often from the very businesses they are charged with regulating.

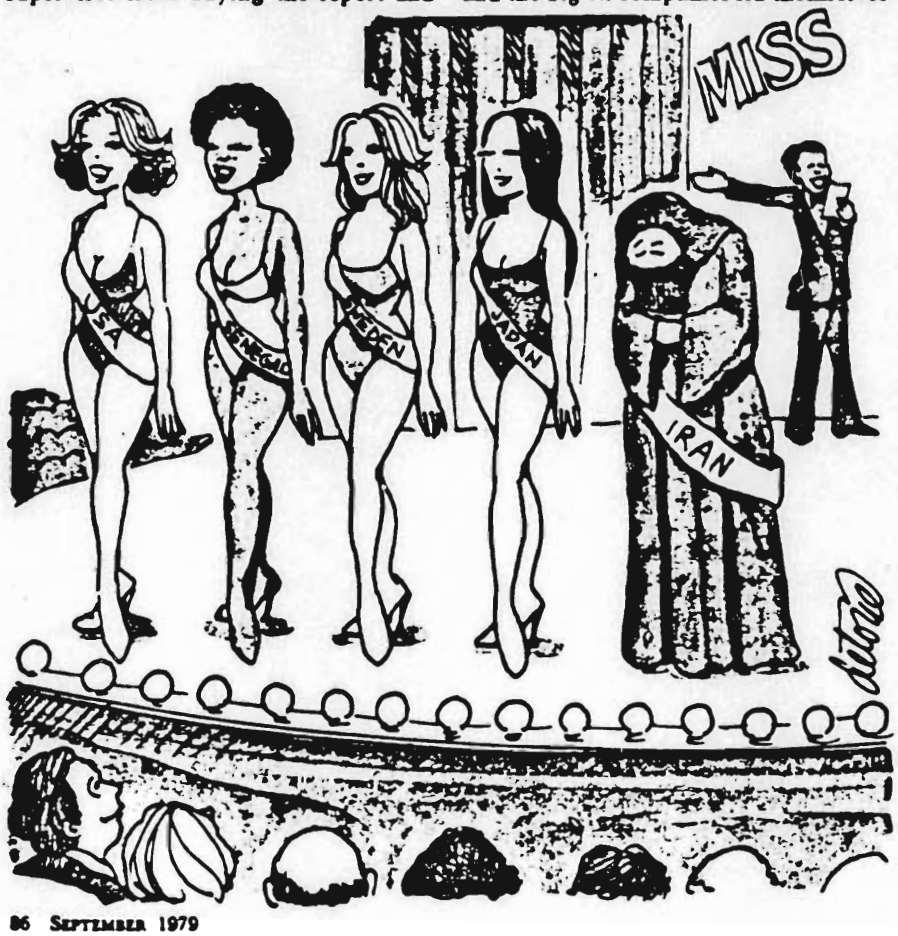


EXHIBIT Y-5 CASEN 1 [illegible]

Ominous as this sounds, Dart has an explanation. "The main thing about a business PAC is that it can counteract labor's influence. If 'money is the mother's milk of politics,' labor has poured in so much more milk. We're seeking a balance of financial influence."

Obviously, that's not how labor sees it. The biggest labor political action committee is the AFL-CIO's Committee on Political Education (COPE). Says COPE's PR director, Ben Albert, "In 1978 we saw a two-to-one imbalance in favor of business PACs. That imbalance can only get greater." Albert is right. In 1974, when business PACs were just getting off the ground, labor pumped $6.3 million into political campaigns, with business lagging behind at $4.8 million. The picture changed in 1976. Business anted up $11.5 million to labor's $8.2 million that year.

But 1978 was the year the imbalance came into sharp and indisputable focus. Recent FEC figures for 1978 reveal that business PACs distributed *$36 million* to labor's $16.8 million. And, smiles one PAC staffer, "We're not anywhere near our potential."

Justin Dart concurs. "If all of the *Fortune* Magazine 500 [America's top companies] raised through their PACs an amount equivalent to ours, this would add up to approximately $50 million. This certainly should be less than half the potential to be raised from other, secondary companies."

That's $100 million yearly and $200 million available for the federal elections held every other year. These days, an average race for a seat in the U.S. House of Representatives costs about $100,000. For the Senate, the price tag is stiffer — maybe $1 million. But, with $200 million on hand, corporate PACs would have ample cash to buy *every* election. Farfetched? Even Jimmy Carter, no stranger to corporate munificence, warned in his 1979 State of the Union Address, "Too many Americans feel powerless against the influence of private lobbying groups and the flood of private campaign money which threatens our electoral process."

Senator Edward Kennedy explains that "the Senate and House are awash in a sea of special-interest lobbying and special-interest campaign contributions." Fred Wertheimer of Common Cause pessimistically agrees, saying that "in a few years, members of Congress will represent PACs, not citizens. We will have a democracy of, by and for PACs. That will be devastating." COPE's Ben Albert adds, "It's fair to view the situation with alarm. PACs are a mother lode that corporations are learning to mine. We consider the growth in corporate PACs phenomenal and, you can say, menacing."

The Democratic National Committee is just as glum. "PACs are not a net plus for the DNC," says committee staffer Scott Wolf. His unhappiness is certainly justified. As Wolf explains, "A majority of corporate PAC funds go to Republicans. Look at the close races — PAC money goes, almost without exception, to the other party."

Figures published by *Congressional Quarterly* verify Wolf's assessment. Over 75 percent of Standard Oil of Indiana's money went to Republicans. International Paper sent over 70 percent of its money in that direction. At ARCO and Dart, it's the same story. And close to election day, when last-minute cash for advertisements often spells the difference between winning and losing, corporate PAC money turns increasingly Republican. Even the token contributions to Democrats are canceled.

Expectedly, at the Republican National Committee corporate PACs are a source of joy, and of bucks galore. "It's certainly a growing source of funding," cautiously admits Nancy Thawley, head of the RNC's PAC Division. But the RNC is anything but cautious in its courting of business PAC support. "We put on special events, dinners, educational programs for PACs," says Thawley. The RNC will also provide interested PACs a list of candidates who will put the money to good use. "Our goal," says Thawley, "is to give corporations a better bang for their buck."

Justin Dart understands this corporatese. "We have to quit fighting 'rearguard action,'" Dart exclaims. "We have to spend enough money to get the right people to run, and we have to spend enough money to get them elected. We have the PAC instrument and we'd have to be out of our minds not to use it." Unabashed as Dart is, he's right. No corporation can long afford to ignore political action committees, especially if that company wants to be heeded on Capitol Hill. A few companies, the ones stung hardest in recent illegal campaign fund scandals, have been sitting out PACs. But even the holdouts are now rushing head first to the FEC where new corporate PACs are registering daily. The figures prove it. Five years ago, there were fewer than 100 PACs. Today, the number is nearing 2,000.

While corporate PACs keep booming, growth in labor PACs is marginal. It is a fight labor knows it cannot win. Even COPE's Ben Albert wants to withdraw from the battle. "We'd be happy to get out of campaign financing," he says. "But we can't unilaterally disarm." Labor cannot afford to pull out, but it *cannot* afford to fight this battle. The money is all on the other side.

Labor does propose a solution. "We're lobbying very actively for public financing of congressional elections," Albert admits. His voice is seconded by Common Cause's Wertheimer, who endorses a funding plan for congressional races that is based on the current tax form checkoff for the presidential sweepstakes. "It's an arms race, and partial public financing coupled with an emphasis on small, individual donations is the only way out," Wertheimer adds. "Right now, corporate domination of Congress is right around the corner."

Wertheimer may be too optimistic. "It's the best Congress money can buy," one oil-industry lobbyist giggles. And

EXHIBIT V-C

CASE NO. [illegible]

public financing for congressional races is nowhere in sight. Republicans will fight it. PACs are a gold mine for their party and they know it. Democrats, despite Carter's endorsement, are not clamoring for public financing either. "The price tag is just too high," confided a public-interest group lobbyist. "Congress is in no mood to write a large dollar law that, in the public's view, will benefit only itself."

Just remember that the next time you're writing a letter to your congressman. Be accurate: Address your correspondence to the Senator from Oil, or the Representative from Coal. Odds are, these industries, and not you, are who he is representing. □

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Other processes now under study include recovering methane from sewage and from agricultural and food processing wastes.

Our Employees

There were 26,877 men and women employed by the Company at the close of 1979. A net increase of 432 during the year reflected not only the increasing complexity of our business and growing regulatory requirements, but the need to serve a continually growing population and ever-expanding business, industrial and agricultural activity throughout our service area.

About 18,000 employees are represented by the International Brotherhood of Electrical Workers (AFL-CIO) and 2,000 by the Engineers and Scientists of California.

Advancement of minority and women employees in all job categories and organizational units, along with promotions to supervisory and management positions, continued its upward trend.

At year's end, minority employees on the payroll represented 24.4 percent of the total employment. This compares with a 22.8 percent minority working-age population in our service area.

A 22.7 percent increase in the number of women in professional and management positions occurred during 1979. Many have started technical careers in engineering, while others serve in areas such as customer relations, accounting, computer operations and law.

A wide range of formal and informal training programs helps employees keep pace with technological and other changes taking place in our industry.

Teleprocessors slash the time it takes customer service employees to handle requests for information or service.

Executive Changes

Retirement of the Company's two most senior officers in June 1979 and the retirement in February 1980 of four directors under an age-in-service policy established several years ago by the Board, has brought new leadership and a number of management changes to PG&E.

Directors elected Frederick W. Mielke, Jr. chairman of the board and chief executive officer. Barton W. Shackelford became president and chief operating officer. Both had been executive vice presidents and directors. They replaced John F. Bonner, who retired as president and chief executive officer, and Richard H. Peterson, who retired as chairman of the board. Both Mr. Bonner and Mr. Peterson continue as directors.

The board in February 1980 elected Lewis S. Eaton, Robert B. Hoover, Leslie L. Luttgens and Wilson C. Riles directors. All had been elected in 1979 to serve as advisory directors. They replaced the four retired directors: Ransom M. Cook, James M. Hait, Leon S. Peters and Porter Sesnon whose combined service on the Board totaled 69 years.

With great sorrow, we report the death in December of J. Dean Worthington, executive vice president, whose service with the Company approached 40 years. Mr. Worthington, together with Messrs. Mielke, Shackelford and Executive Vice Presidents Stanley T. Skinner and John A. Sproul, comprised the Company's newly-formed management committee.

Ellis B. Langley, Jr., formerly vice president-division operations, who in March was promoted to senior vice president-operations, has assumed Mr. Worthington's place on the management committee. He has overall responsibility for the Company's electric, gas, customer and division operations.

Other executive changes during 1979 saw Joseph Y. DeYoung, vice president-customer operations, succeed Mr. Langley as vice president-division operations. John S. Cooper, manager of PG&E's energy conservation and services department, was elected vice president-customer operations succeeding Mr. DeYoung. Richard A. Clarke, assistant general counsel, was elected vice president and assistant to the chairman. George A. Maneatis, manager of computer systems and services, was elected vice president with continued responsibility in that area.

Malcolm H. Furbush was elected vice president and general counsel, effective October 1. He succeeded John C. Morrissey, who retired after 27 years with the Company.

Mason Willrich, former director of international relations for the Rockefeller Foundation, was elected to a newly created position of vice president-corporate planning, effective November 1.

Donald A. Brand, vice president-general construction, was elected vice-president-engineering effective on April 1, 1980. He will succeed Ferdinand F. Mautz, who reaches retirement age at that time after 44 years with the Company. G. Stanley Bates, manager of civil-hydro construction, has been elected to succeed Mr. Brand as vice president-general construction.

We believe the new executive structure and appointments provide a strong organization for the years ahead.

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H. LaPlante

WILLIAM B. HANCOCK
533 SUTTER STREET, Suite 900
San Francisco, Calif. 94102
Telephone 982-7375

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

WILLIAM B. HANCOCK Complainant, vs. PACIFIC GAS AND ELECTRIC COMPANY a California Corporation, Defendant.	Case No. 10838

ADDITIONAL MOTION IN SUPPORT OF
CLAIMANTS ANSWER OF April 9th
1980

Complainant, who repeats he is not an attorney has learned from a friend who is an attorney, that a rule lawyers follow is when you have no case, or your case is weak, attack the other attorney. Since Pacific Gas and Electric Company in its reply chose to use insulting terms to claimant in their, rambling inconclusive reply to claimants case, claimant has decided to make an allegation of perjury by Malcolm H. Furbush on April 4, which complainant was hoping would not be necessary. First, Claimant has made the following aware of his complaint:

President James Earl Carter

Senator Edward Kennedy

Governor Edmund G, (Flake) Brown, Jr. (courtesy of Mr. Loeb, Publisher of the Manchester Union Leader, New Hampshire)

The Attorney General

The Secretary of State

The Energy Commission

The Wall Street Journal

The New York Times

The Washington Star

The San Francisco Chronicle

Herb Caen

The San Francisco Examiner

KQED

The Bay Guardian

The Point Reyes Light

The Sacramento Bee

Numerous P G & E Employees and former employees who have supplied much valuable information

Richard H. Peterson, Director, and former Chairman of the Board, who had not been told of the Case.

The San Jose Mercury

Numerous Consulting Engineers in San Francisco

Robert Andre Kimmich, M. D.
Former corporate executive

Henri Lewin, Hilton Hotel

Raymond Nann, Vice President, Ritchie and Ritchie

Various members of Marina Lion's Club of San Francisco

Various other P G & E stockholders

II

Claimant believed in his niavety and when he filed on February 24th that an ALJ would be assigned, and hearings ordered when the Company answered. Claimant filed when he did to have and answer and hearings before the Annual meeting on April 16, 1980. Commission delay in assigning a Case Number and Company delay and late filing now makes it imperative that hearings be held by April 15, 1980

0 0 0 4 0 2 2 4 0 4 2

Claimant met Mr. Richard H Peterson, former Chairman and Director at 1 PM Friday April 11, 1980, by accident on Sutter Street. Mr. Peterson, one of the finest men Claimant has worked for was unaware of the case. He was, however, aware of the Bass Lake Cabin incident, and confirmed what had happened, which claimant already knew. Claimant had deliberately mentioned the rumor after receiving the facts from a source outside the company. Now that company has under penalty of perjury signed by a Vice President and Counsel, Claimant adds to his list of those to appear, Malcolm H. Furbush, Robert Ohlbach, Daniel Gibson, and Richard H Peterson. We will then see if Mr. Peterson or the attorneys are perjuring themselves. Claimant is rapidly losing patience, and reminds the Commission and the Company the Ralph Nader sponsored Corporate "Bad Boy" (sic) is April 17, 1980, and PG&E, and the C. P. U. C. itself might be a feature if the complaint is "swept under the rug", or dropped. Please refer to Lines 18, Page 2, and Line 8, Page 3. Claimant further refers to the cloak of immunity claimed by the audit of Cresap, McCormick, and Paget, which company started preparing for after Con Edison passed their dividend about 1974. Claimant was a member of, and coordinator of the first audit conducted of San Francisco Division, after claimant had ordered a copy of the Arthur D Little study of Con Ed, over 5 years ago. Claimant also adds to his list B H Nesbit, who has been preparing for the audit for over 2 years. Claimant states from his own personal knowledge that rather than improve efficiency the first audit was to prepare management personnel to be able to supply proper answers to questions. That audit is a company study, ordered by John H Black. Claimant will subpoena it, and the principal auditor, now retired, if necessary.

Claimant now refers Commission to his questioning of witness Fairchild in Case No. Unknown, but hearings held Tuesday April 8, 1980. Later that day, after learning I was no longer with the Company, Attorney Bernard DelaSanta, and ALJ Gagnon held Claimant to the strict level of law in his questions. Claimant now points out that Commission cannot allow Company to get off in their motion which was undated as to day when signed by Daniel Gibson, and not mailed April 4th as claimed. Further, claimant having been in the Engineering field for 30 years reminds commission that no contract that is undated has legal validity. Further if Mr. Gibson, and Mr. Furbush are so lax in checking documents they sign, in Mr. Furbush's case, under penalty of perjury, then those that "live by the Sword" must die by the Sword. Claimant will gladly bring that ommission to the attention of all ratepayers and stockholders if forced to.

III

Claimant now wishes to pursue the audit itself. Any competent management consultant, and many engineering consultants have already reviewed claimant's case, would be delighted to have the information contained as a guide for what to look for. If it were supplied to Cresap, it would be invaluable in shortening the cost of their study. Further, since Claimant was an auditor on many studies for Mr. Black, Claimant is well qualified to evaulate company operations, since it was his job for over four years with the company. Claimant has also discussed the Arthur D. Little study with many employees of Con Edison, as part of his job, and discussed their steam system with John Sullivan, Vice President, of Con Ed last year at a conference. Claimant, also as a member of the International District Heating Association

is also personally acquainted with Chairmen, Presidents, Vice Presidents and Engineers of many utilities in District heating all over the world, including, but not limited to England, France, Germany (both), Hungary, Poland, Japan, Finland, Sweden, etc.

Claimant will not apologize for his "rambling, often confused" document, for the reason that it is accurate, far more than Company would like. Claimant further left out many things, and since company denies all and every part of his case, Claimant will now add a violation of the "equal pay for equal work" provision of federal law as Exhibit V. It is an interesting item showing their are two ways of calculating pay raises for employees for the same level. It is bitterly resented by Division personnel who supplied it to Claimant after the hearings last Monday, and asked that it be included.

Claimant further states that if Company had not decided to "tough it out" by denying the the ENTIRE complaint he would not have revealed that he is constantly being fed additional data by many former coworkers. He also states that one of the "pejorative remarks" former coworkers, who has read the complaint has agreed it is very accurate including the description of himself which does not show him in a good light. Many employees have been waiting for years for someone to expose the many items and are delighted to supply more.

Claimant, having appeared before ALJ Boneysteele in 1974, and ALJ Gillanders in 1977 or 8 knows that the Commission can allow much greater latitude in questioning of witness and legal procedures than in Superior Court. Also the Commission is charged with the responsibility of insuring fair rates. Claimant would

like to state "for the record" that he has been tremendously impressed with the caliber of the short staffed Engineers Lawyers, Accountants and other personnel, particularly Commissioner Sturgeon and compliments the Commission on the fine job it does in all rate cases in spite of the volume of such cases. Claimant further would mention that when he learned that San Diego Gas and Electric has 2 persons assigned to rate cases. PG&E has hundreds assigned. There is another area that might bear scrutiny, and already has by Cresap in the Rate and Valuation Department. Perhaps if PG&E devoted more employees to efficiency, and less to rate applications there wouldn't be so many except for ECAC's.

IV

Claimant closes by repeating what he told Mr. Peterson today. Mr. Peterson suggested I ask for a meeting with a team including G Clifton, Division Manager, East Bay, and H Boyett, District Manager Santa Rosa to help claimant negotiate with the Company. The Company is still harassing Claimant, and the latest is a letter dated within the past six weeks when they made me drive all the way from Folsom to sign applications for retirement awards, and then wrote back to state I was not eligible because I had been terminated. The Personnel Department continues to demonstrate the same ineptitude as the Law Department did in their motion to dismiss. Claimant is on disability, continued for another 6 months because of harassment, is suffering from stress, is unable to apply for a job, and further adds Exhibits X (5 pages) to show his relationship to Mr. Peterson that his career, which was outstanding both before and with PG&E has been destroyed effectively until he can recover from the harassment.

Case No. 10838

Claimant did state to Mr. Peterson (Company made their nasty remarks, so I guess I can too) that he was not in the least offended by references to his ancestry. The only problem claimant has is that company will have to learn to, after reading the largest signature on a document signed July 4, 1776 that they must include adjectives such as "hard nosed, mean, tough, responsible, loyal" and most of all tenacious. If the Commission grants the Company's motion to dismiss, then claimant will contact Mr. Ralph Nader before April 17, 1980 and then pursue Company AT the national, not the local level ~~pointed at the company~~. As a stockholder, I am eligible to file a class action suit, and pursue it. Many other stockholders will be delighted to join me. Claimant points out to Commission and Company that if Company cooperates, the hearings will be "short and sweet", and the examination of records very private. However, rather than a "fishing expedition", claimant has engaged the best investigator in the United States who will supply dossiers on anyone Claimant wants to examine, from the day they were born to present, at a very high fee, but worth every cent. In the vernacular, "nuff said" (all caused by company insults in Motion)

WHEREFOR, COMPLAINANT, WILLIAM B. HANCOCK prays action by the Commission, as follows: (in addition to April 9th judgement)

1. Schedule hearings
2. Add witnesses
3. For such other and further items and relief as the Commission may deem proper and just.

I declare under penalty of perjury that the foregoing is true and correct.

Dated at San Francisco this 11th Day of April 1980.

Respectfully submitted

William B. Hancock

Case No. 10838

CERTIFICATE OF SERVICE

I hereby certify that I have this 12th day of April, 1980 served the attached Additional Motion of William B. Hancock by mail on:

Pacific Gas & Electric Company
77 Beale Street
San Francisco, California, 94106

William B. Hancock

0004022048

EXHIBIT V

SALARY SCHEDULE X

PACIFIC GAS AND ELECTRIC COMPANY

SPECIAL SALARY SCHEDULE

SUPERVISORY, ADMINISTRATIVE, AND PROFESSIONAL PERSONNEL

Salary Level	Minimum		Objective Average		Maximum
1	1,345	1,550	1,750	1,885	2,020
2	1,475	1,700	1,920	2,070	2,215
3	1,625	1,870	2,110	2,275	2,440
4	1,790	2,060	2,325	2,505	2,685
5	1,960	2,255	2,550	2,745	2,940
6	2,160	2,485	2,810	3,025	3,240
7	2,380	2,740	3,095	3,335	3,570
8	2,615	3,010	3,400	3,665	3,925
9	2,880	3,315	3,745	4,035	4,320
10	3,170	3,645	4,120	4,440	4,755
11	3,485	4,010	4,530	4,880	5,230
	First Quartile	Second Quartile	Third Quartile	Fourth Quartile	
		First Quartile Cntrl.Pt.	Second Quartile Cntrl.Pt.	Third Quartile Cntrl.Pt.	Fourth Quartile Cntrl.Pt.

Supersedes Salary Schedule X effective 1-1-79

Effective 1-1-80
L.H.C.

79-12-10

1980 SALARY ADMINISTRATION GUIDE A*

SUPERVISORY, ADMINISTRATIVE, AND PROFESSIONAL PERSONNEL

SALARY LEVELS 1 THROUGH 11 (SCHEDULE X)

		Below Minimum	1st Quartile	2nd Quartile	3rd Quartile	4th Quartil
Outstanding	Percent	7.5 - 15.0%	12.0 - 14.0%	11.0 - 13.5%	10.0 - 12.0%	7.5 - 9.0%
	Interval	6 to 12 months	12 months	12 months	13 months	13 - 14 mos
Exceptionally Capable Performance	Percent	7.0 - 13.5%	9.0 - 12.0%	9.0 - 11.5%	8.5 - 11.0%	7.0 - 8.5%
	Interval	6 to 12 months	12 months	12 months	13 months	14 months
Fully Satisfactory	Percent	6.5 - 11.5%	8.0 - 11.0%	7.5 - 10.0%	7.0 - 9.5%	No Increase
	Interval	6 to 12 months	12 months	12 months	14 months	
Satisfactory But Improvement Desired	Percent	7.0 - 9.0%	6.0 - 8.0%	5.5 - 7.0%	No Increase	No Increase
	Interval	12 months	12 - 15 months	15 months		
Performance** Is Not Satisfactory	Percent	Individual Review	Individual Review	No Increase	No Increase	No Increas
	Interval	Min. 15 Mo.	Min 15 Mo.			

*Use percentage only when applying this Guide to First Level Supervisor/Foreman classifications listed in Rate Schedule XII

**Employees rated as "Performance Is Not Satisfactory" should be under Intensive counseling to improve their level of performance.

Effective 1-1-80
LHC

1980 SALARY ADMINISTRATION GUIDE B*

SUPERVISORY, ADMINISTRATIVE, AND PROFESSIONAL PERSONNEL

SALARY LEVELS 1 THROUGH 11 (SCHEDULE X)

		Below Minimum	1st Quartile	2nd Quartile	3rd Quartile	4th Quartile
Outstanding	Percent	8.5 - 16.5%	13.0 - 15.5%	12.0 - 14.0%	11.0 - 13.5%	9.0 - 10.0%
	Interval	6 to 12 months	12 months	12 months	12 to 14 mos.	12 to 14 mos
Exceptionally Capable Performance	Percent	7.5 - 14.5%	10.5 - 13.5%	10.0 - 12.5%	9.0 - 12.0%	8.0 - 9.5%
	Interval	6 to 12 months	12 months	12 months	13 months	14 ~~15~~ months
Fully Satisfactory	Percent	7.0 - 13.0%	9.0 - 12.0%	7.5 - 10.5%	8.5 - 9.5%	No Increase
	Interval	6 to 12 months	12 months	12 months	14 months	
Satisfactory But Improvement Desired	Percent	7.0 - 9.0%	6.0 - 9.0%	5.5 - 8.0%	No Increase	No Increase
	Interval	12 months	12 to 15 mos.	15 months		
Performance** Is Not Satisfactory	Percent	Individual Review	Individual Review	No Increase	No Increase	No Increase
	Interval	Min. 15 Mo.	Min 15 Mo.			

*Use percentage only when applying this Guide to First Level Supervisor/Foreman classifications listed in Rate Schedule XII

**Employees rated as "Performance Is Not Satisfactory" should be under intensive counseling to improve their level of performance.

Effective 1-1-80
LHC

EXHIBIT X

SAN FRANCISCO
Div. Mgr's. Ofc.
011
September 3, 1976
Greater S.F. Chamber of Commerce

September 13, 1976

MR. E. B. LANGLEY:

In 1975 Mr. William B. Hancock, Administrative Analyst for San Francisco Division, was assigned to the S.F. Chamber of Commerce President Club Program. This assignment lasted for one year and Bill was very successful. He obtained 46 new memberships raising the annual dues an additional $9,005. He was the top salesman in eight out of the twelve months and won the grand prize, which was a trip for two to Hawaii.

On April 29, 1976 Mr. R. H. Peterson, as a Director, was requested to volunteer another President Club member from our Company. His note to me dated May 3, in which we decided to rest on Bill's laurels, is attached.

This program has not been effective this year, therefore, they are going back to the blitz campaign referred to in the three other letters attached. The three-day blitz campaign was not used last year and has not been successful in the past.

It is my recommendation that we volunteer to assist under Item Nos. 3 and 4 which would be to provide qualified leads and to display membership drive posters. I also suggest we duck the awards banquet. I have discussed this with Dick Peterson and he concurs with my recommendation.

Orig. Signed by
J. H. BLACK

J. H. BLACK

JHB:bkd
Attachments
cc: RHPeterson

5004022405 2

RICHARD H. PETERSON

EXHIBIT X

May 3

MAB	RECEIVED	JHB
RGB	MANAGER'S OFFICE	RCM
WJF	MAY 5 1976	CAM
WBH		KER
JK	S.F. DIVISION	AFV
WAM	ETM	KHW

Mr. John Black

John -

I think we can sit on Bill Hancock's laurels for a year unless you believe that the experience would in fact (as asserted by Milt Gilmore) benefit some one in your organization and the Company

RHP

Dick - Jogger
lets rap
John

PG&E

EXHIBIT X

MAB RECEIVED JHT
RGB MANAGER'S OFFICE RCI
WJF CAI
WBH DEC 2 1974 KEI
JK S.F. DIVISION AFV
WAM LTM KHM

cc 70/ for Chris Farley
Joe De Young
FROM THE OFFICE OF FRANK E. WHITE
For your info — JPB

November 22, 1974

Mr. John H. Black
San Francisco Divisional Manager
Pacific Gas and Electric
245 Market, Room 718
San Francisco, CA 94106

Dear Mr. Black:

May I take this opportunity to express my appreciation to the Pacific Gas and Electric Company for the successful United Bay Area Crusade campaign.

The success of any campaign lies in the recognition of management in the meaning of the campaign, the direction of the campaign and the use of and recognition of those who engage in the final phase of the activity.

Mr. William Hancock is to be commended for his direction and understanding of the use of personnel. Mr. Hancock has established the base for far greater participation and contributions from P.G. & E. union and non-union employees in future UBAC campaigns.

In seventeen years of working with the United Bay Area Crusade, this is the second letter of appreciation and commendation to a management person that I have made. It was a delightful and interesting experience to have had the opportunity to work with Bill Hancock.

Yours truly,

Frank E. White

Frank E. White, Director
AFL-CIO Community Service

FEW/peb

FRANK E. WHITE
2015 Steiner Street
San Francisco, California 94115
(415) 567-6309

EXHIBIT X

DAVE WHELAN • PLUMBING AND HEATING INC.
MECHANICAL CONTRACTORS
2940 - 36TH STREET • P. O. BOX 5221 • SACRAMENTO 17, CALIFORNIA • PHONE GLADSTONE 3-2667

30 September 1966

To Whom It May Concern:

We have known and done business with Mr. William Hancock since 1961 when he took over as the local representative for Norman S. Wright & Co.

Bill is a rarity among manufacturer's representatives. Unlike so many others in this field, Bill knows that the sale of the order is only the beginning, and his customer's problems are not over until all the material is on the job and in place. There have been numerous orders for Penn Fans, Master Fans, and Titus Air Outlets, placed with Norman S. Wright, not because of price, but because we knew the material would be on the job when promised. I might add that we were using Tuttle & Bailey when Bill represented them and switched to Titus when he did.

As Mechanical Contractors, our chief concern is to get the job done on time and delays in shipment can play hob with our construction schedule. Bill Hancock was one person we could depend upon to hold to delivery promises. On several occasions he has had material flown out, paying for this from his own pocket, to meet the required schedule. I personally feel that Bill Hancock is the best manufacturer's representative with whom we have done business.

Yours truly,

DAVE WHELAN PLUMBING & HEATING, INC.

J. E. Scurfield

J. E. Scurfield
Vice President

JES/rw

EXHIBIT X

Daniel Yoshpe consulting engineers
1917 22nd street • sacramento, california 95816 • 455-2605

September 30, 1966

To Whom It May Concern:

Subject: William B. Hancock

I have known Bill Hancock for the past six years. He has been acting as a sales engineer representing quality products for the air conditioning industry. I have found him to be very competent in securing the information which a consulting engineer needs in preparation of drawings and specifications. I have also found him extremly reliable and thorough in submittal data during the construction phase of our projects, as well as follow-up after the products are installed and operating.

Mr. Hancocks' ability in the sales engineering field would be an asset to any organization with which he may elect to associate.

Very truly yours.

Daniel Yoshpe

Daniel Yoshpe

DY:bj

8004022405 7

TO M PSON ESQ
PG+E

533 Sutter Street, Suite 900
San Francisco, Calif. 94102
June 20, 1980

California Public Utilities Commission
350 McAllister St.
San Francisco, Calif. 94102

Re: Case No. 10838

Attention: ALJ Pat Power

Your Honor:

You mentioned in our phone conversation in early May that you expected to make a recommendation to the Commission what action to take on my complaint against PG&E. Since that time the Management audit of PG&E by Cresap McCormick and Paget, Inc. has been issued, effective June 1st, 1980.

I have reviewed the CMP report, and find that although it did not get into some of the areas I covered, it does point out many of the same management deficiencies I had listed in my four complaints. For clarity and for your convenience, I have made a cross reference of CMP's findings versus my own. In My report I will use I, III, IV & V, plus specific page or exhibit reference. In addition attached is a copy of the CMP recommendations, Summary of Opportunities for improvement, and Summary of Recomendations.

My Complaint	CMP FINDINGS
I-1 Par. 3, woefully inadequate management	EX. X-5, P10f9 "The board may lack sufficient technological expertese among its outside directors The President carries direct responsibility for too many activities In time, the Chairman may become overburdened.... Management Committee may lack sufficient staff support There is consiederable fragmentation and overlap of functions, and certain instances of duplication among General Office Departments. THIS IS A PARTIAL LIST
I-1-3 The Geysers Geothermal Project	EX X-5 P4of9 The Geysers project management lacks the full authrity.... Company wide efforts to resolve abatement problems have not been well coordinated. PARTIAL LIST
I-7-5 The San Francisco Gas Department	EX X-5 P 6of9 Archaic work rules have a negative impact on manpower utilization Training and compensation systems for e & g supervisory personnel are inadequate.
I-7-6. San Joaquin Division	EX X-5 P9of9 Adequate oversight of Co. use o outside (automotive) maint. re has not been established

	The currecnt process for auth. fleet vehicle replacements & expenditures is not conducive to timely delivery.
	IX-70 Inventory control procedures within the maintenance garages appear to be weak, or entirely missing (underlining mine)
	IX-71 Since the existing controls over p & s purch. & stores is largely inadequate, there is a high risk of: Pilferage of materials by employees or outsiders
	IX-72 There is little uniformity among divisions regarding inspection standards
I-8-8 Energy Audits	X-5 P2of9 The org. and assignment of new business responsibilities -- does not ensure adequate emphasis
	The process of planning load management and conservation activities has not provided for adequate senior management direction
	The approach to load management and conservation program identification is not sufficiently structured or directed.
	PG&E lacks a clear concept of organization for implementing load management and conservation programs.
	Performance measurement procedures for conservation programs are deficient.
I-10-10 Suggestion Committee & Plan	VIII-3 Suggestion Plans/Systems coordinates systemwide application of the suggestion system.
	In 1979 total savings resulting from suggestions was $530,826
	COMMENT: My suggestion is now worth over $1.5 million, the 77 Beale St savings should be over $250,000. Neither will be paid if the company is not sued. Is this a good plan when employees can be cheated????
I-11-11. General Construction Dept.	EX X-5 P 4of9 Systems within GC to monitor and control productivity require refinement in concept & implementation to achieve their full potential.
	The potential benefits of employing outside contractors may not be fully realized.
	Look at the graphs Exhibits V-26 &28 to see overruns.on GC WORK versus division work.

I-12-13 The Personnel Department I-19-16 Nepotism	EX X-5 P70f9 Look at the 7 items listed under "Management of Human Resources". Every bit of what I described is covered by CMP, in great detail, except affirmative action.
I-14-14 Engineering and Design Drafting Departments	EX X-5 P 46f9 Provisions for managing engineering resources are insufficient in several respects. The approach to estimating capital projects costs is inadequate for effective capital budgetting and project cost control. (My comment Diablo, which was supposed to cost less than $500 million is now well over $2Billion, with no end in sight.) V-74 -control of its resources is limited by 3 shortcomings: Lack of an operating budget Informal manpower controls Insufficient emphasis on nontechnical training programs (my comment: what else do you need to insure out of sight costs)
I-15-15 Management by Objectives	III-17 States, in part is used throughout the divisions having been established several years ago and subject to refinement in use. "Quite unfortunately, the program has NOT been adopted in the General Office Departments. IV-53 Performance standards should be expanded to include more quality of service measures. THERE IS A GREAT DEAL MORE ON THIS ITEM
I-19-17. Good Government Fund, Political Action Comm.	IV-71, This is covered, in part by comments on Governmental relations, except for Good Government Fund direction of contributions. "Responsibilities for Reg. & Gov. relationships are fragmented and lead responsibilities are not well understood WHAT CAN I ADD TO THAT, IT TELLS IT ALL.
I-20-18 Procedures and Organization Department	VII-8 The role of P&O and its relations to other organization units is open to question. "The functions of P&O lack adequate definition and control." "The group appear to act in a vacuum--" "The significance of some of the group's activities is in question".

The following items in my "Causes for action are also adequately covered by the CMP report.
I-23-6. Estimating procedure. I-23-7. Study GC. I-23-8 Audit Automotive, San Joaquin, and look at Internal Auditing's procedures. I-24-10 Energy audit plan is a shambles. Look at the opposition to ZIP. I-25-11. Wise use and maintenance of company vehicles and use records. I-26-16. The design drafting and Engineering functions are even much worse than I said they were. I-26-17. Management by objectives needs restructuring.
I-26-19. The Customer services and marketing plans are in bad order.

I-26-20. P&O is a shambles, just as I said, and performs useless functions, to boot.

I-27-23. Not in the report, but look at the PG&E week article that says as of Friday May 16, 1980, that all of a sudden (in about 3 years) they are planning to move some departments to the East Bay. It should be obvious where they got the idea in February.
I-27-24. Look at all the data on Gas Resources duplication and the recommendations.
I-27-26. IV-64, PG&E lacks a Public Relations Strategy. (My comment) After all these years, and over a hundred employees. what do they all do.??????
I-28-27. The Law Department. My favorite Department where they forget to date and mail motions on time, IX-3 Management processes within the Law Department are deficient. Personnel processes are too informal (IX-4. This led to my contact with the EEOC to ask them to file a Sex Discrimination Law Suit because of a lack of understanding IN THE LAW DEPARTMENT, OF ALL PLACES, about Affirmative action.

Finally, your honor, and Commissioner Grimes, it seems that my report at a total cost to me of $269.00 and a lot of time and effort is more valuable to the Commission, BUT ONLY IF COMMISSION ACTION IS TAKEN--NOW!!! than a study that has cost well over One Million Dollars including Staff CNP, and PG&E time and cost.

I respectfully again request that the company be ordered to answer every item in my complaint, that I receive subpoena, and data request power, and that hearings be ordered. The company has 104 items in the Summary of Recommendations Exhibit X-6 Page 1 to 7, which are to be prepared and completed by December, 1980. The Company's attitude is well summed up on the 3rd page of their pamplhlet, "What kind of a job is PG&E doing", by the comment by Mr. Mielke, In those cases where we do not agree with the recommendations we will make our views known to the CPUC.

Let us now give them that opportunity, your honor and commissioners, let us have immediate hearings, include my additional items, and ORDER the company to work to REDUCE rates, and INCREASE efficiency.

Sincerely

William B Hancock

William B. Hancock
Complainant.

cc; All Commissioners,
Executive Director
General Counsel
PG&E.

Encl: Part of PG&E Week May 16, 1980
Pages 2 & 3 of Pamphlet

PG and E Week

Friday, May 16, 1980

LESSON IN SAFETY—Ralph Krueger shows the safety glasses that saved his vision when, while checking for voltage at an electric meter base, a flash burned his face and seared his eyebrows. A troubleman in Auburn, Krueger has recovered from his injuries. He received an award from the National Society for the Prevention of Blindness, Inc., Wise Owl Club of America for wearing eye protection at the time of a potential eye injury accident or incident. The award was the first to a PG&Eer since the company obtained a membership charter last year.

Second Diablo open house June 21-22

THE SECOND open house of the Diablo Canyon Nuclear Power Plant will take place June 21 and 22 from 9 a.m. to 3 p.m.

The plant will be open to all employees and retirees and members of their immediate families 12 years or older. Once again, the purpose of the open house is to familiarize employees and retirees with the operation of the plant.

At least one person in each vehicle driven to the site must display a valid PG&E photo identification card or retirement identification plate before admittance to the tour.

Employees and retirees who do not have a PG&E photo ID should send their name, job classification, department or division (for retirees, include department or division retired from), and social security number to: Larry Lunsford, Division Security, Diablo Canyon Power Plant, P.O. Box 56, Avila, CA 93424. It must be received no later than Friday, June 13. On arrival, these employees and retirees should be prepared to show a California driver's license or other identification with their photo.

Dress will be long sleeve shirts or jackets, boots or hard soled

(Continued on Page 4)

Some General Office departments to move to the East Bay

TOO MANY people, not enough space.

That problem in General Office will be tackled by relocating the General Office Engineering, Land and General Construction departments to the East Bay area in about three years or sooner if a suitable existing facility can be utilized,

(Continued on page 3)

Making gas from coffee grounds, garden trimmings and, ah, manure

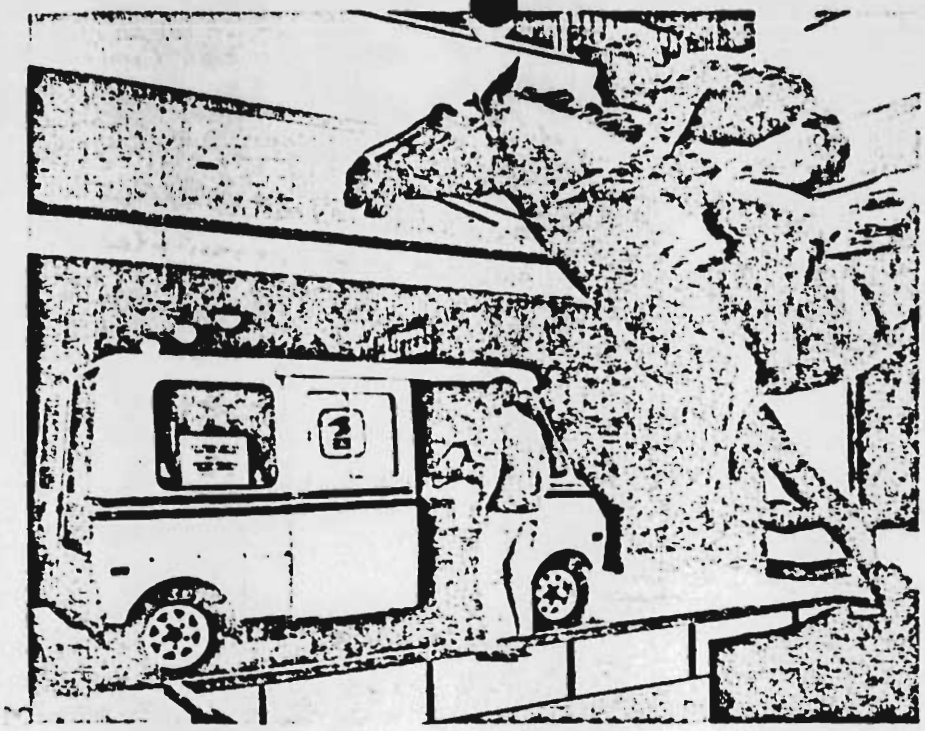
PART of California's natural gas needs may be found literally underfoot in discarded items. The potential energy sources include cattle manure in feedlots, coffee grounds, garden trimmings, newspapers and other assorted municipal solid wastes.

Acting on this belief, PG&E and Southern California Gas Company have asked the U.S. Department of Energy to help fund studies for three new methane gas recovery projects in California.

The research programs, costing a total of $1.4 million, will examine the commercial feasibility of recovering methane gas—the principal component of natural gas—from cattle manure and municipal solid wastes.

"Methane gas recovered and

(Continued on Page 4)



ALL CHARGED UP—This electric mail truck was one of the exhibits on display during Energy Alternative Week at Tanforan Shopping Center. The energy show, one of several held recently in the company's service area, was co-sponsored by the San Bruno Chamber of Commerce and PG&E. The statue of the horse and jockey in the foreground isn't a salute to the Pony Express. It commemorates the fact that the shopping center site used to be a race track.

On the move

NORTH BAY
*Murray G. Grande, engineering trainee to power production engineer, Geysers Power Plant.

SACRAMENTO
*Harry G. Herrera, senior engineering estimator, Sacramento District, to assistant engineer, El Dorado District.

SAN FRANCISCO
Billye A. Austin, conservation representative, General Office, to community conservation representative, Marketing.

SAN JOAQUIN
*Michael C. Mahutga, engineering trainee to commercial representative, Kern District.

SAN JOSE
*Bruce M. Matulich, Marketing, energy utilization representative to energy utilization representative.

SHASTA
*Janet E. Dean, engineering trainee to energy utilization representative, Marketing.

STOCKTON
*Gloria V. Davis, Delta District, service representative to district representative.

PIPE LINE OPERATIONS
Thomas P. Evans, supervisor benefits development, General Office, to area gas superintendent, Hinkley.

GENERAL CONSTRUCTION
*Troy Long, transportation superintendent, Stockton, to assistant superintendent, Services.
*David W. Moller, Civil Hydro, field engineer III to field engineer IV.

*Effective prior to May.

GO departments

(Continued from front page)

President Barton W. Shackelford announced in a memo to General Office employees.

A search for a suitable location to be leased, purchased or constructed by the company near the Bay Area Rapid Transit system is now under way.

"As most of you are aware, we have outgrown the capacity of our General Office complex, and substantial additional office space will be needed to accommodate our growth projections," Shackelford's memo says.

"Movement of some departments across the Bay appeared to be the most advantageous way of accommodating our needs after considering costs, operating efficiencies and flexibility in planning for expansion," the memo continues.

Part of Materials, Engineering Computer Applications, Planning and Research and other departments may also be moved, the memo added, "depending upon the results of further analysis now being conducted." At a later date, perhaps 1985, a portion of the Comptroller's office may also be moved.

The specific site location will be announced when it becomes available.

FYI available

"THREE Mile Island a year later: important steps taken," a recent report by the Committee for Energy Awareness, has been published as "FYI" No. 5/5/80.

The committee, based in Washington, D.C., is an ad hoc group composed of public information representatives on loan from various companies within the nuclear industry.

Copies can be requested by writing to room 1700, 77 Beale St., or by calling General Office, extension 2216.

Late last year and through the first part of this year, the management consulting firm of Cresap, McCormick and Paget, Inc. conducted a "management audit"—an intensive study of the management systems and performance of Pacific Gas and Electric Company.

The study was done at the direction of the California Public Utilities Commission, following an increasingly common and useful practice in the industry of having outside consultants review utility management and operating performance.

The study was filed with the CPUC in early June. We are quite pleased with the results. The overall findings show that PG&E is an efficiently run company, doing a good job for its customers.

Not surprisingly, considering the size and complexity of PG&E's operations, the consultants also found some areas where they felt improvement is needed. We welcome this impartial analysis. For the most part we agree with the consultants' views, and we plan to make the recommended improvements. In fact, we have already started action on many of them. In those cases where we do not agree with the recommendations we will make our views known to the CPUC.

This brief listing of highlights of the management audit has been prepared primarily for our employees, but is being made available also to customers and shareholders who may be interested.

Frederick W. Mielke, Jr., Chairman
Pacific Gas and Electric Company

8 0 0 4 0 2 2 4 0 6 5

→ Joe Pondong
(Served formally on
Jul 7/3/80 at San Jose
Santa Rosa, etc.)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Copies sent to:
RO
DEG
JKL (action)

Investigation on the Commission's own motion into the regulation of employment practices of PACIFIC TELEPHONE AND TELEGRAPH COMPANY, PACIFIC GAS AND ELECTRIC COMPANY, GENERAL TELEPHONE COMPANY OF CALIFORNIA, SOUTHERN CALIFORNIA GAS COMPANY, SAN DIEGO GAS AND ELECTRIC COMPANY, SOUTHERN CALIFORNIA EDISON COMPANY, CALIFORNIA WATER SERVICE COMPANY, SOUTHERN CALIFORNIA WATER COMPANY, SIERRA PACIFIC POWER COMPANY, SOUTHERN PACIFIC TRANSPORTATION COMPANY, WESTERN PACIFIC RAILROAD COMPANY, THE ATCHISON, TOPEKA AND SANTE FE RAILWAY COMPANY, CP NATIONAL CORPORATION, SOUTHWEST GAS CORPORATION, CITIZENS UTILITIES COMPANY OF CALIFORNIA, AND CONTINENTAL TELEPHONE COMPANY OF CALIFORNIA, Respondents	Case No. 10308 (Instituted April 12, 1977)

Petition for award of Attorney's fees and cost of Participation: Declaration of William B. Hancock in support of Petition; and Data Request in the above case.

CUT UTILITY RATES TODAY
533 Sutter Street, Suite 900
San Francisco, Calif. 94102
(415) 982-7375

William B. Hancock
Executive Director

July 1, 1980

0 0 0 4 0 1 2 4 0 6 6

Case No. 10308

COMES NOW CUT UTILITY RATES TODAY (hereinafter CURT) and petitions this Commission for approval of application to implement Article 18.5, Rules for Implementation of PURPA Section 122 (a) (2) to establish procedures for an eventual award of Reasonable fees and costs to consumers of electric utilities.

Petitioner states that in Decision 91909, dated June 17, 1980 in Case No. OII No. 39, the Commission established rules and procedures under section 76.03, Consumer's request: requiring the following data:

(a) But for the ability to receive compensation under these rules, CURT, and William B. Hancock, Executive Director have no other income except $321.06 per month. That the budget for participation in this proceeding will come from borrowed funds, and are anticipated to be as a budget item, the time of William B. Hancock and his associates at rates of pay as witnesses, attorneys, and investigators from $ 50.00 per hour to $150.00 per hour, plus expenses. That the time spent will include attendance at allhearings throughout the state, hiring of expert witnesses and investigators on a "to be paid out of proceeds" basis. That we have applied for no grant funds from any source.

(b) The PURPA issues that we intend to raise are to include but are not limited to: 1 (C) Equitable rates to electric consumers.

2.(A) Cost of Service

(B) Declining block rates.

(C) Time of Day Rates

(D) Seasonal Rates

(E) Interruptible Rates

(F) Load Management Techniques

3.(C) Information to Consumers

(E) Advertising.

(b) cont'd.

That the Commissions's synopsis states, in part, -"the theory that discriminatory employment practices could lead to inefficient utility operations, and conflict with federal and state law and policy"-

That in conversations with Mr. Rockey Brown, Supervisor of the Discrimination Investigation Section of the Federal EEOC the petitioner has learned that he does not have sufficient staff or attorneys to pursue a class action investigation of this magnitude.

That William B. Hancock, who has been a coordinator of Affirmative Action programs at Pacific Gas and Electric Company from 1973-1977, and who participated in the October 1973 audit by the Federal Compliance Officer from Washington D. C., of the San Francisco Division of PG&E is in a unique position by training and experience to examine the records of all respondents to this case to insure that they are in compliance with not only the law, but the intent of the law in upward mobility, hiring and promotional practices of the respondents.

That the respondents as a group and individually have hired or will hire at the ratepayers expense the most prestigious and well known legal firms available. That it was obvious at the prehearing conference and in the synopsis that the respondents will use every legal means and delaying tactic to prevent the Commission (or the EEOC or Federal Contract Division) from learning the true status of their employment pratices. That the information submitted by the respondents qualifies as "Momism" and "Apple Pie"ism, but does not tell the Commission if the firms are in compliance.

(c) That CURT will keep detailed record of hours spent and expenses incurred in this matter and submit them either in a periodic or final basis as required.

(d) That CURT by it's activities is representing other parties who cannot represent themselves, and will receive no income from such parties.

(e) That CURT will submit, but only on request, information other than by direct testimony of the training and experience of its staff and witnesses.

(f) That under subsection (d), of 76.03, the tentative budget will include, for each day of hearings: A minimum of 1½ hour for each 1 hour spent in hearings, at a rate of $200.00 per hour plus expenses. Total daily budget, excluding expert witnesses will be $2,500.00 (12.5 hours including preparation) plus actual federally allowed mileage and transportation, plus out of pocket costs of lodging, meals, etc. Based on the scope of this investigation, petitioner estimates that hearings will consume at least 4 months, (12.5 hours per hearing day times 80 days) =1,000 hours x $200.00/hour = $200,000. This compares favorably with the $750,000 fee paid to Cresap McCormick and Paget for the over six month audit of PG&E ordered by the commission which produced a report plus recommendations of further audits by CMP. Expenses, not including travel to all cities where hearings are held (estimated at 25¢per mile) should average about $60.00 per day for two people, plus other local witnesses.

(g) This organization is not incorporated and consists of people who are ratepayers or stockholders in some of the various respondents. It was formed on June 30, 1980 as a result of ALJ's Carlos comment that an application should be filed. Its name is a "buzz word" to alert other ratepayers that it intends to fight all utilities in all proceedings with the intent to reduce rates and cause more efficient operation. Present permanent members are William B. Hancock, and C. Crockett Mushet, who is administrator.

Previous work has been participation by William B. Hancock in PG&E Steam cases in 1972-74, and 1977-8 (A-57202) as coordinator, and witness for PG&E, ECAC Case No. 59463, Decision 91721, OII No. 42 as protestant, and ZIP Case No. 59537, in which C. C. Mushet has also attended hearings, and reviewed files and documents and assisted in preparation of prepared testimony of William B. Hancock. CURT will also appear in the new PG&E ECAC hearings approximately July 30, 1980.

This petitioner states that the issues being addressed will be pursued from personal knowledge of Affirmative Action programs, and ability to review reports from respondents with a first hand knowledge of the Law. Petitioner will also be working with the EEOC and Federal Contract Compliance personnel, when needed. This expertese cannot be duplicated within the Commission Staff, who deal primarily with State Law in these matters. There has also been a change of Federal activities in the past year, which further dilutes federal expertese. Matched against the formidible staff of the ~~my~~ respondents, we will be David fighting a very rich and powerful Goliath, and our budget estimate pales against the combined assets and personnel of the 17 respondents, whose budgets for this case will total millions of dollars.

76.06 Compensation filings of Consumer. The contribution of this consumer will be to document and prove that many of the respondents are in fact in violation of state and federal law in hiring, promotional and discriminatory practices, and that application of those very practices would contribute to more efficient operation and lower rates. That the nepotism and "political" practices by many of the respondents does in fact contribute to higher rates. In William B. Hancock's Case 10838 against PG&E he documents many cases of nepotism and inefficient operation which has now been verified by the CMP report of June 1, 1980 to the Commission

(h). Petitioner, under Rule 76.10 (b) is making this request within five days after the appearance of the Petitioner June 30, 1980. Rule 76.10 states that no request may be made after Day 110 in an electric rate case. Petitioner states the request is timely since actual hearings have not begun, and in addition that the 40 day rule from June 17, 1980 will have expired before actual hearings begin.

(i) Petitioner adds as Exhibit 1 a data request on all respondents in this application. This request has been reviewed by the EEOC, and conforms to federal guidelines in Affirmative Action requirements.

I hereby declare under penalty of perjury that the foregoing is true and correct.

Dated: July 1, 1980

William B Hancock

William B. Hancock

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all known parties of record in this proceeding by mailing via first class mail a copy thereof properly addressed to each such party.

Dated at San Francisco, California, this 2nd day of July, 1980.

C. Crockett Mushet

C. Crockett Mushet

EXHIBIT 1 Case No. 10308

Data Request by CURT, 533 Sutter Street, Suite 900. San Francisco, California. 94102

Please submit a computer run, or data on the following items:

1. Total size of work force, with table of organization showing number of supervised personnel, and lines of authority.

2. That a complete list of all management personnel be supplied, showing age, sex, minority status, position, seniority education, promotobility, appraisal, number of times considered for promotion.

3. Data related to the minority and female employees in the company as compared to "parity" in the general population.

4. The same information about the Board of Directors of the Corporation.

5. Data about any complaints filed by present or former employees alleging discrimination with name address and phone number of each complainant.

6. The name and address and telephone number of each Union in each company, with the Manager or Director's name.

7. That the following letter, Exhibit 1-A be sent to all employees.

EXHIBIT 1-A Case No. 10308

TO ALL EMPLOYEES

The California Public Utilities Commission has ordered the Company to advise you of Decision No. 91963 ordering an investigation of employment practices of the Company.

The investigation is to determine if the Company is in compliance with state and federal law regarding equal employment opportunities, and to eliminate discrimination in employment on the basis of race, religion, national origin, age, or sex.

If you have been discriminated against, or can supply any information about practices of the company to assist the C. P. U. C. in evaluation of our compliance with the law, please forward your comments to the Commission in the enclosed envelope.

Your comments will be kept confidential, and the COMPANY IS FORBIDDEN BY LAW TO RETALIATE AGAINST YOU, for any information you may supply.

Sincerely

Chairman of the Board

RECEIVED
GCC #1834
'80 JUL 3 PM 12:10

PACIFIC GAS AND ELECTRIC COMPANY

PG&E 77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211

E. B. LANGLEY, JR.
SENIOR VICE PRESIDENT-OPERATIONS

June 27, 1980

C08864

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
Washington, D. C. 20463

Re: MUR 1248

Dear Mr. Steele:

On June 24, 1980, the Company received your letter of June 18, 1980, notifying the Company that the Federal Election Commission has received a complaint.

This is to inform you that the Company will be represented by Messrs. Malcolm H. Furbush, Vice President and General Counsel, and Patrick G. Golden, Attorney, of the Pacific Gas and Electric Company Law Department, 31st Floor, 77 Beale Street, San Francisco, California 94106 (telephone: 415/781-4211). Correspondence should be sent directly to Mr. Golden, who is authorized by me to receive any notification and other communications from the Commission.

The Company will be responding to the complaint in writing, which response will be sent on or before July 9, 1980.

Sincerely,

E. B. Langley, Jr.

EBL:eg

80 JUL 3 P2:00
GENERAL COUNSEL
RECEIVED

00040224074

PACIFIC GAS AND ELECTRIC COMPANY
77 BEALE STREET
SAN FRANCISCO, CALIFORNIA 94106

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
Washington, D. C. 20463

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

June 18, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William B. Hancock
533 Sutter Street
Suite 900
San Francisco, California 94102

Dear Mr. Hancock:

This letter is to acknowledge receipt of your complaint of June 10, 1980, against Pacific Gas and Electric Company which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondent will be notified of this complaint within 5 days and a recommendation to the Federal Election commission as to how this matter should be initially handled will be made 15 days after the respondent's notification. You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

S 0 0 4 0 2 2 1 0 7 7

PS Form 3811, Aug. 1978

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER:** Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
   - ☐ Show to whom and date delivered
   - ☐ Show to whom, date, and address of delivery
   - ☐ RESTRICTED DELIVERY
     Show to whom and date delivered
   - ☐ RESTRICTED DELIVERY
     Show to whom, date, and address of delivery $
   - (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
William B. Hancock
533 Sutter Street, Suite 900
San Francisco, CA 94102

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	946200	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY
JUN 23 88

POSTMARK
U.S. POSTAGE 00.37 JUN 1988 SAN FRANCISCO CA

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

☆ GPO: 1979-279-[illegible]

1248 Smith

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 18, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Pacific Gas and Electric Company
77 Beale Street
San Francisco, California 94106

Re: MUR 1248

Dear Sir or Madam:

This letter is to notify you that on June 16, 1980, the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1248. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against you in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public.

If you intend to be represented by counsel in this matter, please advise the Commission by sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

0 0 0 4 0 2 4 0 7 8

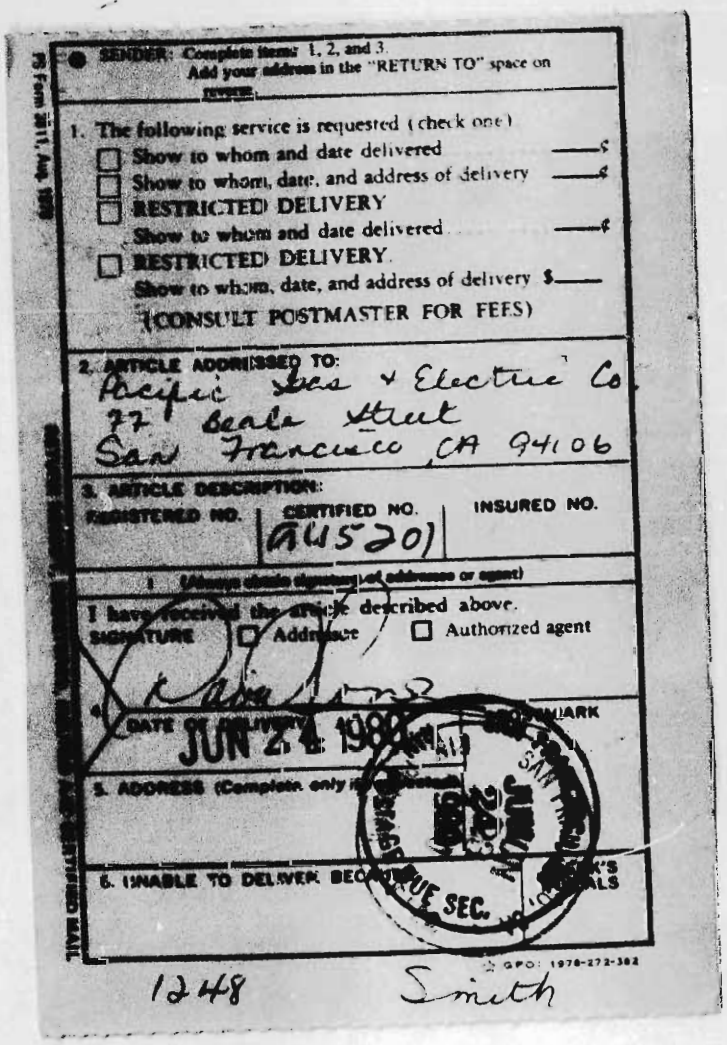
If you have any questions, please contact Kevin Smith, the attorney assigned to this matter at (202) 523-4529. For your information, we have attached a brief description of the Commission's preliminary procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

1. Complaint
2. Procedures


SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one)
- ☐ Show to whom and date delivered ___¢
- ☐ Show to whom, date, and address of delivery ___¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ___¢
- ☐ RESTRICTED DELIVERY
  Show to whom, date, and address of delivery $___
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Pacific Gas & Electric Co
77 Beale Street
San Francisco, CA 94106

3. ARTICLE DESCRIPTION:
REGISTERED NO. | CERTIFIED NO. 445201 | INSURED NO.

4. I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY JUN 24 1980 POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

GPO: 1978-272-302

1248 Smith

8004022079

GCC1665

RECEIVED

533 Sutter St. Suite 900
San Francisco, Calif. 94102
June 10, 1980

80 JUN 16 AM 11:46

Federal Election Commission
1325 K St. N. W.
Washington, D. C. 20005

C08467 MUR 1248

Attention: Complaint Section:

Gentlemen:

I wish to enter a complaint against Pacific Gas & Electric Co., 245 Market St. Room 714, and 77 Beale St. Corporate Headquarters, 32nd floor, San Francisco, Calif. 94106.

During the years 1974 through 1977, I was forced to contribute to the "Good Government Fund" by the Division Manager, John H. Black, since deceased. At the time, I was Administrative Analyst, San Francisco Division, on Mr. Black's staff. Those of us on the staff were ordered to contribute $100.00 per year at a rate of $10.00 per month. Mr. Walter J. Farrell, Representative, was the "bag man" who collected the checks each month. Prior to the Federal Election Campaign Act of 1974, we contributed directly, as is evidenced by my letter from Supervisor Terry A. Francois Committee, dated May 6, 1975, enclosed, thanking me, a resident of Richmond California, contributing to a San Francisco Supervisoral candidate.

We were instructed each month in a staff meeting to make out checks for Mr. Farrell to pick up, usually to the fund. As evidence of the pattern of giving, note Exhibit D, dated 4/24/78 through 5/22/78, which shows that all of Mr. Black's staff gave $100.00 cumulative from 1/1/77 except Mr. A F Vial, District Manager, who gave an extra $10.00. This pattern can be found thruout the company's 13 divisions, and headquarters Giving was based upon what a manager told his subordinates to pay to the fund.

Your investigators could peruse the records at the California Secretary of State's Office if further information is necessary. Please also note the audit report for the period from January 2, 1976 through December 31, 1976. As a member of the fund, I would not have approved giving to Senator Briggs, or in the 4/24 through 5/22/78, an enequal amount to Quentin Kopp, as compared to Diane Feinstein.

Present employees of PG&E will be reluctant to admit they are forced to give. Retirees or separated employees would be more willing to confirm that pattern, if necessary. Please note my letter of August 12, 1979 to Richard Miller, Deputy DA, San Francisco, and the article from "Chic" magazine, which details Justin Dart's comments on how to provide guidlines on giving. I was forced to give $100.00 on less than $23,000 annually, while my Vice President was giving $80.00 on a salary of over $65,000. Joseph Kelly, of the Audit Committee gave $60.00 in 1976 on a greater salary than mine.

This complaint has been brought to the attention of Directors of PG&E, in a C. P. U. C. action by me February 24, 1980, and the company on April 4, 1980 denied it, and asked that it be dismissed. The company is, therefore willfully pursuing the use of this PAC to their own ends, in spite of my complaint. I feel civil and criminal action should occur. I swear the above data is true to the best of my knowledge and belief.

Sincerely

William B. Hancock

William B. Hancock
(Phone 415 982-7375)

ENCL: Ex E, Francois, Ex, D. (3 pages) Attach. A. 2 of 6, 4/24, Attach. B, 4 of 12, ltr R Miller, Article "Sucking at the Big Business Tit". Sept 79

80 0 0 4 0 2 1 0 8 0

State of Ca.

County of Marin } ss.

On this the 10th day of June 19 80, before me, Cynthia Jernigan the undersigned Notary Public, personally appeared William B. Hancock

known to me to be the person(~~s~~) whose name(~~s~~) is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Cynthia Jernigan

OFFICIAL SEAL
CYNTHIA JERNIGAN
NOTARY PUBLIC - CALIFORNIA
MARIN COUNTY
My comm. expires JUL 20, 1982

GENERAL ACKNOWLEDGEMENT FORM

EXHIBIT E

CASE NO. 10238

RECEIVED

JUN 16 AM 11:46

Committee to Re-Elect
SUPERVISOR
TERRY A. FRANCOIS

497 FULTON STREET
SAN FRANCISCO, CALIF. 94102
(415) 552-3151

May 6, 1975

Mr. William Handcock
848 - 34th Street
Richmond, California

Dear Mr. Handcock:

Thank you for your contribution to my campaign. Your support is most gratifying to me.

I have every hope that this campaign will be as successful as my last one, and early assistance from people like yourself is very encouraging.

Thank you again.

Sincerely,

Terry A. Francois

Terry A. Francois

mc

C.5

100

EXHIBIT D

CASE NO. 10838

RECEIVED

NAME Good Government Fund

I. D. NUMBER OF COMMITTEE

Statement Covers Period From 4/24/78 through 5/22/78

SCHEDULE A, FORM 420 or 430
(continued) (continuation of Part 2, Page 4)

'80 JUN 16 AM 11:46

PART 2 - RECEIVED FROM OTHERS: (See information manual for directions and examples)

DATE 1978	FULL NAME AND ADDRESS (Street, City, State) OF CONTRIBUTOR	OCCUPATION	EMPLOYER (IF CONTRIBUTOR IS SELF-EMPLOYED LIST STREET ADDRESS & CITY OF BUSINESS)	AMOUNT RECEIVED	CUMULATIVE AMOUNT From 1/1/77
	Max A. Balke 1000 Evans Avenue San Francisco, CA 94124	Superintendent	PGandE	$ -0-	$ 100.00
	John H. Black 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	60.00
	Walter J. Farrell 245 Market Street San Francisco, CA 94106	Representative	PGandE	-0-	100.00
	Richard H. Jones 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
	James Kinder 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Edward V. Lathrop 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	L. T. McKelvey 2225 Folsom Street San Francisco, CA 94110	Manager	PGandE	0	100.00
	R. C. Metcalf 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
	Kenneth E. Robin 245 Market Street San Francisco, CA 94106	Manager	PGandE	-0-	100.00
4/24	A. F. Vial 450 Eastmoor Avenue Daly City, CA 94015	Manager	PGandE	10.00	110.00
	Kenneth H. Whalen 3235 18th Street San Francisco, CA 94110	Superintendent	PGandE	-0-	100.00
5/19	Thomas E. Riddle 1030 Detroit Concord, CA 94518	Manager	PGandE	10.00	80.00

C.S

EXHIBIT D CASE NO. 10836

State of California
FRANCHISE TAX BOARD
Sacramento, CA 95867
(916) 355-0480

AUDIT REPORT FOR COMMITTEE:

Good Government Fund
77 Beale Street, Room 891, San Francisco, CA 94106

January 2, 1976 through December 31, 1976

TREASURER: Frank A. Peter
77 Beale Street, Room 891, San Francisco, CA 94106

REPRESENTATIVES: Joseph Kelly
77 Beale Street, Room 3091, San Francisco, CA 94106

Thomas High
77 Beale Street, Room 3008, San Francisco, CA 94106

Michael Moe
77 Beale Street, Room 540 K, San Francisco, CA 94106

AUTHORITY FOR AUDIT

This audit is mandated by Section 90001(e) of the California Government Code.

BACKGROUND INFORMATION

The Good Government Fund is an independent, ongoing committee. It supports any candidate whose views coincide with that of the enrolled membership.

The audit was conducted in the corporate headquarters of Pacific Gas and Electric Company at 77 Beale Street in San Francisco. The statements were prepared and the records were maintained in the accounting department, also at 77 Beale Street. Assistance during the audit was provided by Joseph Kelly and Thomas High.

RECORDKEEPING

Michael Moe maintains records in accordance with the Fair Political Practices Commission Regulations. The reliability of the records was adequate.

C.J.

NAME Good Government Fund [redacted] EXHIBIT D I.D. NUM[redacted]N Committee) 744249 CASE NO. 10838

Statement covers period from 5/25/76 through 8/5/76

SCHEDULE E, FORM 420 or 430
PAYMENTS (continuation of Part 1, Page 8)

(Amounts may be rounded off to whole dollars)

PART 1 – MADE TO COMMITTEES: (See information manual for directions and examples)

OFFICIAL USE ONLY	FULL NAME OF PAYEE COMMITTEE AND I.D. NUMBER (If the committee has no I.D. Number, state full name and address of the Treasurer)	AMOUNT THIS PERIOD
	Briggs for Senate Committee State Senator I. D. #745829	$ 300.00
	Friends of Pete Chacon State Assemblyman I. D. #741730	200.00
	Committee to Re-Elect Deddeh State Assemblyman I. D. #742129	200.00
	Friends of Jim Slemons State Assemblyman I. D. #760197	200.00
	William Dannemeyer for Assembly Committee State Assemblyman I. D. #760335	200.00
	Vicencia Committee State Assemblyman I. D. #745693	200.00
	Committee to Re-Elect Assemblyman Duffy State Assemblyman I. D. #741302	200.00
	Committee to Elect Bill Thomas State Assemblyman I. D. #743207	200.00
	Committee To Re-Elect Bob Cline State Assemblyman I. D #743650	200.00
	Friends of Arnett Committee State Assemblyman I. D. #741007	200.00
	Calvo Campaign Committee State Assemblyman I. D. #742922	200.00
	Citizens for Hayden Committee State Assemblyman I. D. #741457	200.00

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 1, part 3, page 9) $ 2,500.00

CS

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Gary Borvice-Supervisor, Board of Supervisors San Francisco	x Support Oppose	$ -0-	$ 250.00
Lee Dolson-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	350.00
John F. Foran-State Senate 6th S.D.	x Support Oppose	-0-	150.00
S. Floyd Mori-State Assembly 15th A.D.	x Support Oppose	200.00	300.00
Victor Calvo-State Assembly 21st A.D.	x Support Oppose	-0-	200.00
Henry J. Mello-State Assembly 28th A.D.	x Support Oppose	-0-	200.00
United Republican Finance Committee of San Francisco-Various Republican State Campaigns	x Support Oppose	-0-	1,000.00
Lonnie Washington-Member, Richmond City Council	x Support Oppose	-0-	100.00
Robert Wherritt-Member, Salinas City Council	x Support Oppose	-0-	100.00
Ted C. Wills-Mayor, City of Fresno	x Support Oppose	-0-	100.00
Wilson Riles-State Supt. of Public Instruction	x Support Oppose	-0-	200.00
Ron Bates-Daly City City Council	x Support Oppose	-0-	50.00
Tom Kitayama-Mayor, City of Union City	x Support Oppose	-0-	100.00
Ron Pelosi-Supervisor, Board of Supervisors, San Francisco	x Support Oppose	-0-	300.00
Margaret Kozkowski-Mayor, City of San Bruno	x Support Oppose	-0-	50.00
Tony Governale-San Bruno City Council	x Support Oppose	-0-	50.00
Tom Ricci-San Bruno City Council	x Support Oppose	-0-	50.00
Art Lapore-Millbrae City Council	x Support Oppose	-0-	50.00

ATTACHMENT A: ALLOCATION OF EXPENDITURES BY CANDIDATES AND MEASURES

RECEIVED

'80 JUN 16 AM 11:46

Name: Good Government Fund
I.D. Number: 744249
Statement Covers Period from: 4/24/78 through 5/22/78

Name of Candidate and Office; Name of Ballot Measure and Ballot Number or Letter	Check One	Amount of Expenditures This Period	Cumulative To Date From 1/1/77
Richard Robinson-State Assembly 72nd A.D.	x Support Oppose	$ -0-	$ 250.00
Mike Roos-State Assembly 46th A.D.	x Support Oppose	-0-	200.00
La Verne Schneider-Member, San Luis Obispo City Council	x Support Oppose	-0-	100.00
Stephen Solomon-Member, Salinas City Council	x Support Oppose	-0-	100.00
Don Talley-Trustee, Cuesta Community College	x Support Oppose	-0-	50.00
Gene Chappie-State Assembly 3rd A.D.	x Support Oppose	-0-	200.00
William Campbell-State Senate 33rd S.D.	x Support Oppose	-0-	250.00
March Fong Eu-Secretary of State	x Support Oppose	-0-	200.00
Assembly Republican Political Action Committee - Various Republican State Assembly Campaigns	x Support Oppose	-0-	500.00
John W. Homdahl-State Senate 8th S.D.	x Support Oppose	-0-	200.00
James R. Mills-State Senate 40th S.D.	x Support Oppose	-0-	500.00
Charles E. Bott-Stockton City Council	x Support Oppose	-0-	100.00
Alan Robbins-State Senate 20th S.D.	x Support Oppose	-0-	200.00
Diane Feinstein-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	400.00
Quentin Kopp-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	50.00
Alister McAlister-State Assembly 25th A.D.	x Support Oppose	-0-	300.00
William M. Thomas-State Assembly 33rd A.D.	x Support Oppose	-0-	200.00
John A. Nejedly-State Senate 7th S.D.	x Support Oppose	-0-	100.00
Ella Hill Hutch-Supervisor, Board of Supervisors San Francisco	x Support Oppose	-0-	250.00

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RECEIVED

'80 JUN 16 AM 11:47

Name: The Good Government Fund
I. D. #744249
Statement Covers Period From: January 1, 1977 through June 30, 1977

Walter J. Farrell ✓ DMO
Donald R. Field E
Gordon E. Fiske S
Louise Fletcher M
Robert H. Fohlen M
Ronald E. Grasser E
William Hamil
William B. Hancock ✓ DMO
Robert H. Hatch S
James J. Hillyer
Samuel G. Holmes
Richard H. Jones G + DMO
John J. Kamariotis E
James Kinder P
Manfred Kranse
Edward V. Lathrop M + DMO
Walter J. Leslie
J. K. Lieber S
Konstantin K. Lobodovsky M
Rex B. Luce
Charles Makar CS
Thomas H. Mason

Gary K. McCurdy
Robert W. McDermott
L. T. McKelvey GS + DMO
W. J. McLean
R. C. Metcalf CS
F. R. Milam E
Andrew C. Millpointer S
John R. Monaco S
Fremont D. Nash S
Norman Ossman
Billy R. Overstreet E
Robert M. Pederson
Donald W. Peerson M
George M. Poulo GS
J. A. Pridmore S
Daniel J. Quinlan, Jr. M
Clyde J. Richards E
Kenneth E. Robin CS + DMO
Melvin J. Rodrigues GS
M. H. Samii S
John C. Sander E
Phillip H. Sigmund E

Neal A. Solloway E
Adrian L. Sommerville S
R. E. Thompson E
Wallace G. Tring
R. N. Tucker M
Gerald Tyson M
D. F. Veihmeyer G
A. F. Vial DISTMGR + DMO
Avtar S. Virdee
David G. Waterworth ✓
Kenneth H. Whalen E + DMO
Henry R. Wind E
T. W. Wriston E
John H. Anderson
Lawrence H. Barre
H. E. Belmont
Clayton E. Bowser
James R. Bozarth
Stephen W. Cook
Charles S. Earnshaw
Arne L. Hawkins
Royal W. Hazelton

C.J.

RECEIVED

625 Post Street, No. 609
San Francisco, Calif. 94109
August 12, 1979

80 JUN 16 AM 11:47

Mr. Richard Miller, Deputy DA
880 Bryant Street, Room 322.
San Francisco, Calif. 94105

Re: P G & E Good Government Fund

Dear Sir:

Immediately after my visit to you July 18th, I found it necessary to return east, and have not checked with the phone service to see if you had called. Having had no written communication either, I assume you may have "struck out" in getting four more people to quickly verify my story.

To assist you in realizing the ramifications of what I told you I am pleased to enclose copies of an article that appeared in the magazine "Chic" for September 1979, pages 16, etc, entitled "Sucking at the Big Business Tit"(you'll pardon the expression, I am sure)

The article completely verifies what I told you about the ability of a supervisor to see that management employees give the "right" amount, and also that big business is subverting the law in the way they give contributions.

Attached also is a copy of Supervisor Terry A. Francois letter to me of May 6, 1975 thanking me for my contribution. I will repeat, I wouldn't give money to him to run for dog catcher, but was ordered to do so in a public "Division Council" meeting, by Mr. John H Black, deceased. Most of the $100.00 contributors on the list I gave you were also given that order, and did so.

If you are not going to pursue this, please write and let me know the name of some other northern California District Attorney who you think might have the time and interest. It is a major "rip off" by dishonest corporate people to make sure the law is in their favor. A good example that irritates me is that I cannot loan you money at more than 10%, but a bank can charge us both 18%. What is fair about that one.?????

Sincerely

William B Hancock

William B. Hancock

cc: cc: Mr David Pitman,
Secretary of State' office
Political Reform Division
1230 J Street, Sacto, 95814,

Mr. Scott Thorpe, Attorney General's Office,
555 Capitol Ave. Sacramento, 95814

Mr. Bob Blazier, Attorney
FPPC 1100 K Street, Sacto 95814

C.J.

RECEIVED
'80 JUN 16 AM 11:47

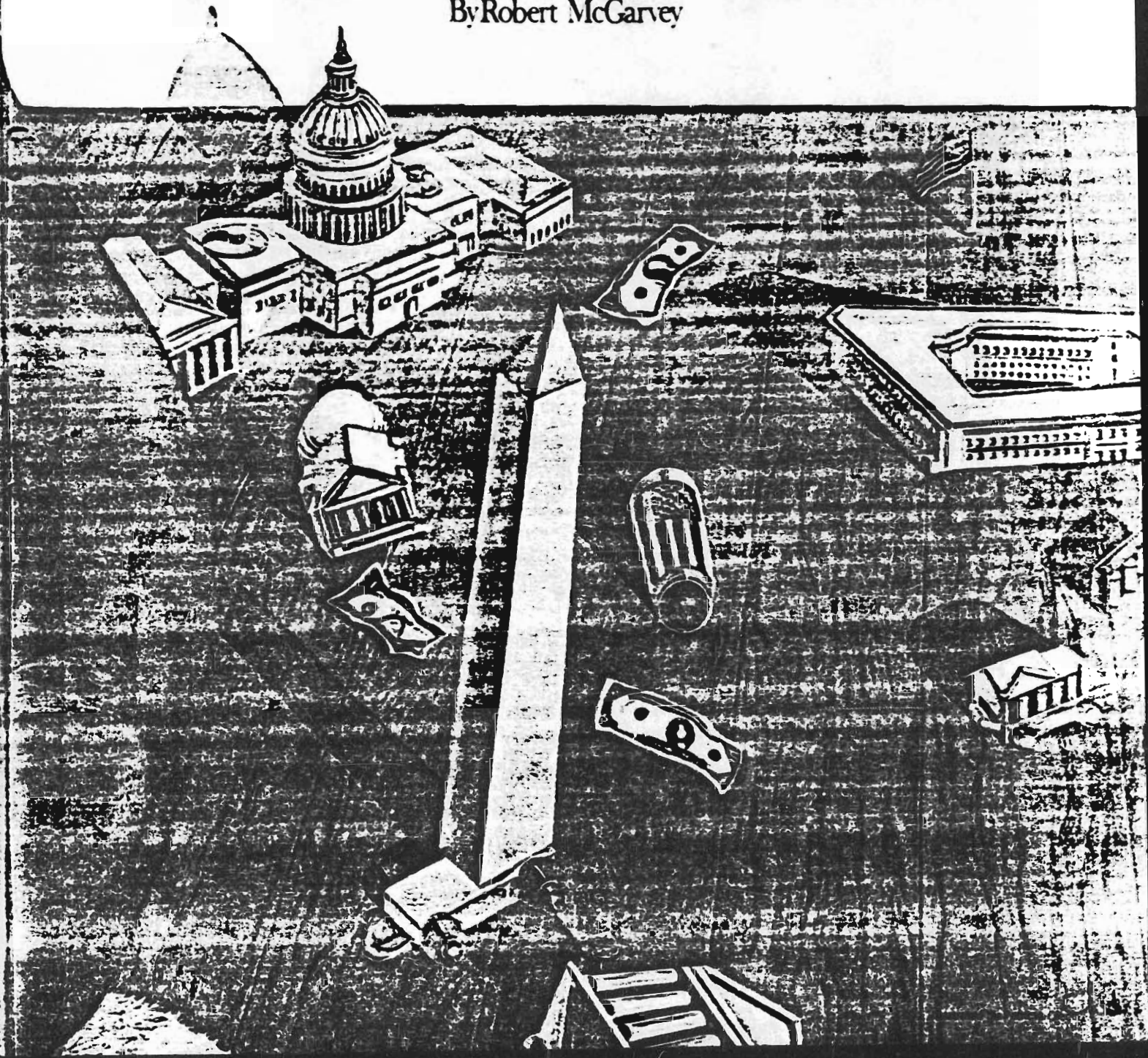
SUCKING AT THE BIG BUSINESS TIT

How corporate political action committees spell "free lunch" for politicians

"Money is the mother's milk of politics," quips Jesse Unruh, the Big Daddy of California politics. Right as Unruh is, the milk *has* soured, and campaign-finance reform legislation is the culprit.

Heralded as the way to bring the "little man" back into the mainstream of politics, the Federal Election Campaign Act Amendments of 1974 saw to it that he was in there alright, but without a pad-

By Robert McGarvey



dle. "That law wasn't reform," relates a longtime Washington politico. "It was criminal."

Three initials, *PAC*, did the "little man" — you and me — dirt. Shorthand for Political Action Committee, PAC is a fully legal way to ship money by the carloads to political candidates. Long-cherished tools of big labor, PACs — until passage of the "reform" legislation — were flatly denied big business. Corporations, the laws plainly stated, could not donate funds to candidates running for federal offices. Business did not resent the restriction — it simply ignored it. But post-Watergate investigations saw corporation after corporation biting the bullet for illegally laundering money that wound up in the bank accounts of America's elected elite. The jig was up, and business went scouting for another, a legal, way to buy candidates.

The 1974 Federal Election Campaign Act provided the "legal" answer. If PACs are good for labor, business figured, they will be even better for us. Congress, smelling hard cash, rapidly wrote the reform law that gave birth to PACs for all — a "reform" that allows any corporation to set up and run, as management sees fit, a political action committee. The PAC duns employees for cash, and the cash is in turn handed out to powerful politicians.

The mother's milk is flowing ever greener. Eager for political influence, hundreds of corporations rushed to form PACs as soon as word spread of this aboveboard way to buy the men in Washington. Justin Dart, head of the multibillion-dollar Dart Industries, candidly tells why his company formed a PAC: "You can't go to a congressman on a point of principle, or a point of faith, and get that congressman to vote your way if you go there with an empty basket. It just won't work." The message is all too clear: PACs have been created to make certain that the baskets are always full and that congressmen know which way to vote on these "points of principle" if they want to keep the baskets brimming with greenbacks.

Not all corporate heads are as bold in their approach. Robert Anderson, chairman of the mammoth ARCO oil company, understates by simply calling the political arena "a neglected area of corporate responsibility" — although it's an arena Anderson is actively urging his corporate brethren enter. To underline the point, ARCO produced a videotape (at a cost of thousands of dollars) on the pleasures of PACs and then shipped copies to America's 500 top firms.

Reginald H. Jones, General Electric's boss, is even lower key. Jones restricts his pronouncements on GE's role in politics to internal communications. In one such letter, the kickoff for GE's successful PAC, Jones informed his top staffers that this "is an unusual, personal communication on a subject which I hope you will agree is vital to each of us." The subject? Money with which to grease the political wheels. Within six weeks after distributing the letter, Jones boasted of a kitty totaling over $75,000 collected from 352 executives during a *non-election* year.

But the GE total is hardly unusual. Dart Industries, brags Justin Dart, "raised about $100,000" in one year. At ARCO, the PAC's treasury rang in at $65,000. Standard Oil of Indiana's AMOCO PAC netted $265,000. International Paper covered the walls of Congress with $163,000. Union Oil came through with more than $100,000 for its friends. Add up the totals of America's 1,000 corporate PACs, and the dollars available to political candidates easily eclipse the $10 million mark.

> *"What would you do if your boss told you why you should contribute to the PAC? You'd give."*

Where does the money come from? *You!* That's right, employees at Dart, ARCO, Dow Chemical, Lockheed, General Telephone and hundreds of other companies eagerly dig deep into their pockets to fork over money to their respective PACs. That's because companies, while permitted to pay the initial and administrative costs for their PACs, are still barred from giving their own corporate-earned cash to candidates. The burden of giving falls squarely on the shoulders of employees.

How much should you give? Other than setting a $5,000 maximum annual contribution by an individual to a corporate PAC, federal laws are, as usual, mute. But Justin Dart wants to make it easy for you. "It's very important," Dart stresses, "to provide suggested contribution guidelines. They are the key to the whole thing. At Dart we don't go to people making less than $25,000 annually. Call it 'the elite,' although $25,000 isn't so damn elite anymore. But we ask the $25,000 guy for $100. At $50,000, we ask for $350. We scale up to $100,000, asking for $1,000. I put in $5,000, the maximum permitted. Everyone thinks that's a very low schedule."

Not everybody. Certainly not the junior executive making $25,000 who is in hock beyond his elbows and sweating out next month's car payment, not to mention a C-note for a political campaign. Odds are, however, he will shell out. At Dart Industries, 70 percent of the staff does. If the United Way received a mere *seven* percent return on its solicitations, there would be partying in charity heaven. But PAC solicitations are different.

Raymond C. Christie, a middle manager with Baker Perkins, Inc. in Saginaw, Michigan, pinpointed the difference in a cogent letter to the Federal Elections Commission (FEC) — the body set up by Congress to oversee campaign contributions. After the FEC extended PACs to even more companies than were currently allowed, Christie wrote, "Your decision subjects thousands to the pressures of corporate managers to contribute to the party or causes that management deem important. An employee is expected to go along with management decisions. To refuse means that one is not part of the team, and that is a major factor when the company considers salary increases and promotions." What Christie means is that $100 is not merely a contribution to a PAC. It's an investment in *your* future, and it just may be an essential rung on the corporate ladder.

Just ask Justin Dart. "People get a little bit amused," Dart laughs, "when I say we do not tell anyone what to give, but we sell the hell out of them. There is a difference. We try to make people want to give because it's *right*, because it's good for them — for their own self-interest."

The one inviolable rule of PAC operation stresses that actual or threatened physical force, job discrimination, or financial reprisals should never be used in the solicitation process. An employee *cannot* be told to give or get out, and even a strong scent of coercion will put a company on the FEC's carpet. But, laments an oil-company staffer, "This company is more subtle than that. It doesn't need a club. What would you do if your boss told you why you should contribute to the PAC?" The answer is obvious — you'd give. And so would thousands, even millions, like you.

All companies swear that no promotion decisions are predicated on whether an employee antes up or not. But the same companies swore a few years ago that *no* illegal campaign contributions passed through their treasuries. Still, to sweeten the pot, most companies insist that PAC fund-raising be cloaked in

continued on page 86

C. J.

BIG BUSINESS

continued from page 18

anonymity. "The names of contributors," ARCO proclaims, "are not available to Atlantic Richfield personnel."

But Justin Dart, the man Ronald Reagan lauds as a "pioneer" when it comes to getting PACs to work smoothly, *knows* that's not really true. "Who gave and who didn't give is not confidential," Dart insists. "That's horseshit. It's wrong! You can make it confidential, but your plan won't work. People who are shirking their responsibility, if they know you don't know what they've done, will be less willing to give. There's no question about that." Worse still, Dart continues, "anonymity is a myth. *Anyone* can go to the Federal Election Commission and get the details on contributions over $100. They'll give the whole list . . . names, the whole thing. There's no anonymity at all."

That's true of all PACs, no matter how vigorously they promise anonymity. By law, every PAC must file periodic reports (available for public inspection) with the FEC. The reports detail where the money came from, and also list the name, business address and job title of each donor contributing $100 or more. "There's nothing to stop an employee's supervisor from buying the report and using it as he sees fit," concedes a former staffer with ARCO's PAC.

Once the bucks start rolling in, the corporation is faced with doling out the largess. But that's no problem. Says Dart, "I have a right to decide where this money goes. If you make this a hoi polloi decision, it ain't going to come out very well. They don't know where the money ought to go." Most companies agree, and follow Dart's lead. Contribution committees, staffed by top management, are set up to see that PAC cash is distributed to the right people.

People like Colorado's William Armstrong, for example. November 1978 saw Armstrong mounting a drive to unseat Floyd Haskell, an entrenched Senate Democrat with a seat on the critically important Senate Energy Committee, where the legislation that determines the profits of America's oil companies is drafted. No friend of big oil, Haskell's campaign notched a lonely $200 token contribution from Union Oil's PAC. But Armstong found himself awash in black gold. More than $17,000 from 15 major oil companies flowed into Armstrong's campaign by mid-October. By election day, preliminary reports show that even more cash came his way. Not surprisingly, the conservative Republican handily defeated Haskell — and the big oil companies rid themselves of a foe on a key Senate committee.

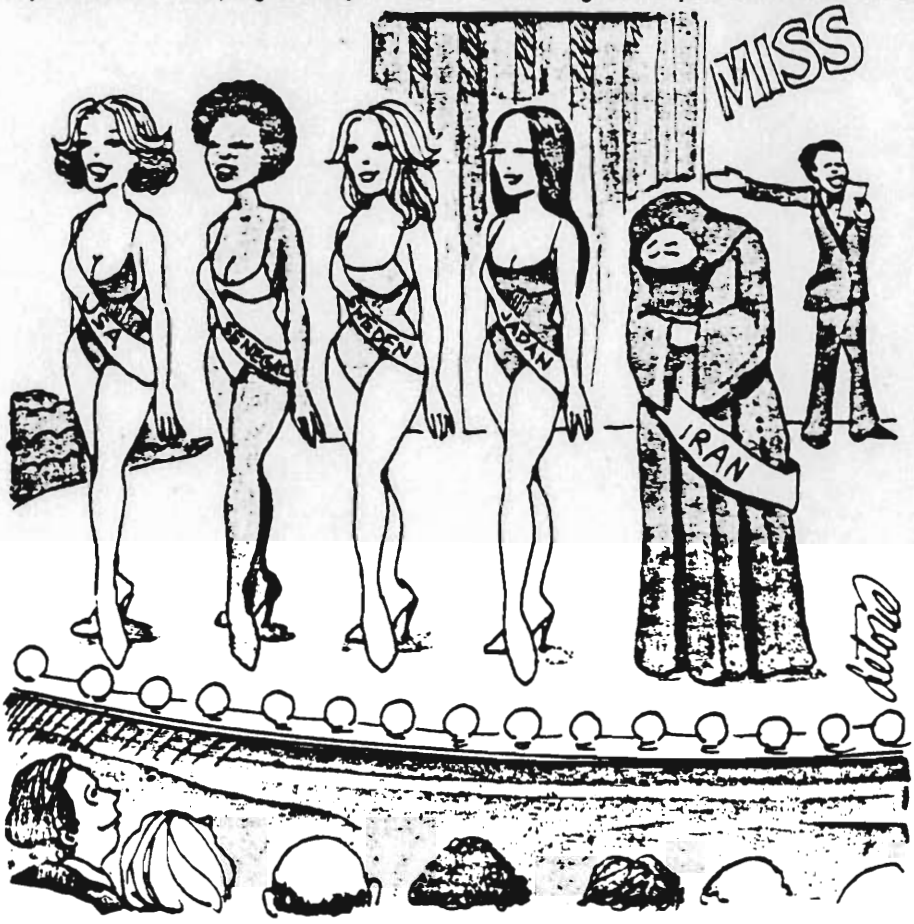
Former Minnesota Senator Wendell Anderson can tell the same sad story. Another liberal name on the Senate Energy Committee, Anderson popped up on dozens of oil company hit lists. His election day opponent, Rudy Boschwitz, logged $10,560 in oil money — and Anderson bit the dust. Scratch another corporate enemy.

The fates of Haskell and Anderson go to the heart of the corporate PAC strategy. PACs and other interest groups, explains senior vice-president of Common Cause, Fred Wertheimer, "are focusing on members of committees that have jurisdiction over their issues. PAC money is investment money." And companies are making the best investments that they possibly can.

True, there is a $10,000 limit on a PAC's contribution to a single candidate, with that sum evenly split between primary and general elections, but there is *no* limit on the amount of money a special-interest *group* can pump into a single campaign. The top dozen oil company PACs can band together in selecting an enemy — a Haskell, for example — and that candidate's opponent could find himself $120,000 richer.

But PACs work both ways. Just as enemies are punished, so friends are rewarded — lavishly. Congressman Mike McCormack (D, Wash.) can testify that big business is a mighty good friend. Last year, McCormack shocked organized labor by voting against a key bill, the common site picketing measure. McCormack knew what he was up to. By the time his primary rolled around, McCormack, according to the *Wall Street Journal*, had already logged more money from business PACs than he had from *all* sources during his *entire* previous campaign.

Incumbent senators, too, are on the gravy train. John Tower, a conservative Republican from Texas, found himself in a bitter and tight race last November. But his friends came through — and handsomely. Twenty percent of his *total* funds came from energy interests. Jennings Randolph, an enormously powerful Democratic senator from West Virginia, nabbed 79 percent of his contributions from out-of-state sources — many of them coal and oil companies whose future he determines as chairman of the Senate Committee on Environment and Public Works. Tower and Randolph are not unusual cases. Incumbent senators are increasingly finding that the bulk of their campaign funds come from out-of-state, often from the very businesses they are charged with regulating.



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Ominous as this sounds, Dart has an explanation. "The main thing about a business PAC is that it can counteract labor's influence. If 'money is the mother's milk of politics,' labor has poured in so much more milk. We're seeking a balance of financial influence."

Obviously, that's not how labor sees it. The biggest labor political action committee is the AFL-CIO's Committee on Political Education (COPE). Says COPE's PR director, Ben Albert, "In 1978 we saw a two-to-one imbalance in favor of business PACs. That imbalance can only get greater." Albert is right. In 1974, when business PACs were just getting off the ground, labor pumped $6.3 million into political campaigns, with business lagging behind at $4.8 million. The picture changed in 1976. Business anted up $11.5 million to labor's $8.2 million that year.

But 1978 was the year the imbalance came into sharp and indisputable focus. Recent FEC figures for 1978 reveal that business PACs distributed *$36 million* to labor's $16.8 million. And, smiles one PAC staffer, "We're not anywhere near our potential."

Justin Dart concurs. "If all of the *Fortune* Magazine 500 [America's top companies] raised through their PACs an amount equivalent to ours, this would add up to approximately $50 million. This certainly should be less than half the potential to be raised from other, secondary companies."

That's $100 million yearly and $200 million available for the federal elections held every other year. These days, an average race for a seat in the U.S. House of Representatives costs about $100,000. For the Senate, the price tag is stiffer — maybe $1 million. But, with $200 million on hand, corporate PACs would have ample cash to buy *every* election. Farfetched? Even Jimmy Carter, no stranger to corporate munificence, warned in his 1979 State of the Union Address, "Too many Americans feel powerless against the influence of private lobbying groups and the flood of private campaign money which threatens our electoral process."

Senator Edward Kennedy explains that "the Senate and House are awash in a sea of special-interest lobbying and special-interest campaign contributions." Fred Wertheimer of Common Cause pessimistically agrees, saying that "in a few years, members of Congress will represent PACs, not citizens. We will have a democracy of, by and for PACs. That will be devastating." COPE's Ben Albert adds, "It's fair to view the situation with alarm. PACs are a mother lode that corporations are learning to mine. We consider the growth in corporate PACs phenomenal and, you can say, menacing."

The Democratic National Committee is just as glum. "PACs are not a net plus for the DNC," says committee staffer Scott Wolf. His unhappiness is certainly justified. As Wolf explains, "A majority of corporate PAC funds go to Republicans. Look at the close races — PAC money goes, almost without exception, to the other party."

Figures published by *Congressional Quarterly* verify Wolf's assessment. Over 75 percent of Standard Oil of Indiana's money went to Republicans. International Paper sent over 70 percent of its money in that direction. At ARCO and Dart, it's the same story. And close to election day, when last-minute cash for advertisements often spells the difference between winning and losing, corporate PAC money turns increasingly Republican. Even the token contributions to Democrats are canceled.

Expectedly, at the Republican National Committee corporate PACs are a source of joy, and of bucks galore. "It's certainly a growing source of funding," cautiously admits Nancy Thawley, head of the RNC's PAC Division. But the RNC is anything but cautious in its courting of business PAC support. "We put on special events, dinners, educational programs for PACs," says Thawley. The RNC will also provide interested PACs a list of candidates who will put the money to good use. "Our goal," says Thawley, "is to give corporations a better bang for their buck."

Justin Dart understands this corporatese. "We have to quit fighting 'rearguard action,'" Dart exclaims. "We have to spend enough money to get the right people to run, and we have to spend enough money to get them elected. We have the PAC instrument and we'd have to be out of our minds not to use it." Unabashed as Dart is, he's right. No corporation can long afford to ignore political action committees, especially if that company wants to be heeded on Capitol Hill. A few companies, the ones stung hardest in recent illegal campaign fund scandals, have been sitting out PACs. But even the holdouts are now rushing head first to the FEC where new corporate PACs are registering daily. The figures prove it. Five years ago, there were fewer than 100 PACs. Today, the number is nearing 2,000.

While corporate PACs keep booming, growth in labor PACs is marginal. It is a fight labor knows it cannot win. Even COPE's Ben Albert wants to withdraw from the battle. "We'd be happy to get out of campaign financing," he says. "But we can't unilaterally disarm." Labor cannot afford to pull out, but it *cannot* afford to fight this battle. The money is all on the other side.

Labor does propose a solution. "We're lobbying very actively for public financing of congressional elections," Albert admits. His voice is seconded by Common Cause's Wertheimer, who endorses a funding plan for congressional races that is based on the current tax form checkoff for the presidential sweepstakes. "It's an arms race, and partial public financing coupled with an emphasis on small, individual donations is the only way out," Wertheimer adds. "Right now, corporate domination of Congress is right around the corner."

Wertheimer may be too optimistic. "It's the best Congress money can buy," one oil-industry lobbyist giggles. And

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public financing for congressional races is nowhere in sight. Republicans will fight it. PACs are a gold mine for their party and they know it. Democrats, despite Carter's endorsement, are not clamoring for public financing either. "The price tag is just too high," confided a public-interest group lobbyist. "Congress is in no mood to write a large dollar law that, in the public's view, will benefit only itself."

Just remember that the next time you're writing a letter to your congressman. Be accurate: Address your correspondence to the Senator from Oil, or the Representative from Coal. Odds are, these industries, and not you, are who he is representing. □

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