BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for Authority Among Other Things, to Decrease its Rates and Charges for Electric and Gas Service, and Increase Rates and Charges for Pipe Expansion Service.

Application No. 94-12-005 (Filed December 9, 1994)

(U 39 M)

Commission Order Instituting Investigation Into the Rates, Charges, Service, and Practices of Pacific Gas and Electric Company.

I. 95-02-015 (Filed December 9, 1994)

Order Instituting Rulemaking for Electric Distribution Facility Standard Setting.

R. 96-11-004 (Filed November 6, 1996)

PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E) GENERAL ORDER 165 ANNUAL INSPECTION REPORT FOR 2012 SUBMITTED PURSUANT TO CPUC DECISION NO. 97-03-070, DECISION NO. 09-08-029, AND DECISION NO. 12-01-032

Pursuant to Commission direction, Pacific Gas and Electric Company submits *Pacific Gas And Electric Company's General Order 165 Annual Inspection Report for 2012 Submitted Pursuant to CPUC Decision No. 97-03-070, Decision No. 09-08-029, and Decision No. 12-01-032*, attached as Exhibit 1.

Respectfully submitted,

By: /s/ Barbara H. Clement
BARBARA H. CLEMENT

PACIFIC GAS AND ELECTRIC COMPANY 77 Beale Street

San Francisco, CA 94105 Telephone: (415) 973-3660 Facsimile: (415) 973-5520

E-Mail: BHC4@pge.com

Attorneys for PACIFIC GAS AND ELECTRIC COMPANY

June 28, 2013

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> PATRICK G. GOLDEN BARBARA H. CLEMENT

Pacific Gas and Electric Company P. O. Box 7442 77 Beale Street, MSB30A San Francisco, CA 94120 Telephone: (415) 973-3660 Facsimile: (415) 973-5520

E-Mail: B

BHC4@pge.com

Attorneys for PACIFIC GAS AND ELECTRIC COMPANY

June 28, 2013

VERIFICATION

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 the following reason: I have read the foregoing:

PACIFIC GAS AND ELECTRIC COMPANY'S
GENERAL ORDER 165 ANNUAL INSPECTION REPORT
FOR 2012 SUBMITTED PURSUANT TO CPUC
DECISION NO. 97-03-070, DECISION NO. 09-08-029, AND
DECISION NO. 12-01-032

and I am informed and believe 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 as San Francisco, California, this 27th day of June, 2013.

/s/ P. J. Martinez

P. J. MARTINEZ

Vice President, Electric Asset Management

EXHIBIT 1

Pacific Gas and Electric Company's General Order 165 Annual Inspection Report for 2012

PACIFIC GAS & ELECTRIC COMPANY'S GENERAL ORDER 165 ANNUAL INSPECTION REPORT FOR 2012

I. 2012 INSPECTION SUMMARY

Pursuant to Section III.D of the California Public Utilities Commission's (Commission)

General Order (GO) 165, adopted in Decision No. (D.) 97-03-070, and modified by D.09-08-029

and D.12-01-032, Pacific Gas & Electric Company (PG&E) submits its Annual Inspection

Report which details PG&E's 2012 patrol and inspection activity.

Table 1 lists five categorical types of inspections PG&E performed in 2012: Overhead (OH) Patrols¹, Underground (UG) Patrols¹, OH Detailed Inspections, UG Detailed Inspections, and Wood Pole Intrusive. The table denotes the total units of work due by inspection type for the 2012 reporting period and the number of outstanding (not completed) inspections within the same reporting period for each of the five categories.

The data presented in Table 1 is a point-in-time reporting of inspections due and outstanding in 2012, and is, as of the date of submittal to the Commission, deemed as the most accurate data available. As shown in the table, by December 31, 2012, PG&E had completed 99.99% of its OH detailed inspections, 99.97% of its OH patrols, 99.99% of its UG detailed inspections, 100% of its UG patrols and 100% of its wood pole intrusive inspections due in 2012.

¹ To present the data in a more meaningful format, this report divides the "Patrol" category in the sample report template in GO 165 into the subcategories "OH Patrols" and "UG Patrols".

Table 1 – 2012 Inspection Summary

Type of Inspections (1)	Due (2)	Outstanding (3)	
OH Detailed Inspections	522,017	8	
OH Patrols	1,293,256	452	
UG Detailed Inspections	136,944	17	
UG Patrols	236,084	0	
Wood Pole Intrusive	258,620	0	

Notes:

(1) Definition of Reporting Unit Basis

- a. OH: PG&E defines an overhead unit as any PG&E solely owned, PG&E jointly owned, or third party owned pole supporting PG&E equipment or conductors operating at less than 60,000 volts. PG&E also patrols and inspects the PG&E owned overhead equipment, overhead conductors, and streetlights on those poles, but these facilities are not counted as additional overhead units for the purposes of this report.
- b. UG: PG&E defines an underground unit as any PG&E owned padmounted facility, subsurface enclosure, or vault containing primary cables or equipment which operate at less than 60,000 volts. PG&E also patrols padmounted facilities, subsurface enclosures, and vaults containing only secondary facilities, but these facilities are not counted as underground units for the purposes of this report.
- c. Wood Pole Intrusive: PG&E defines a wood pole intrusive unit as any intrusively inspected PG&E solely or jointly owned pole.

The patrol unit counts are generally based on the most recent preceding detailed inspection map unit counts.

(2) Definition of "Due"

Units in the "Due" column represent the total units of work by inspection type that PG&E determined should have been completed by the end of 2012. This data is based on year-end analysis and not on projections made at the beginning of 2012.

In addition to regularly scheduled patrol and inspection units, this column includes any special inspection and re-inspection units that PG&E scheduled for completion in 2012.

Although GO 165 requires padmounted facilities be detail inspected on a minimum five year cycle, PG&E performs detailed inspections of padmounted facilities on a more frequent three year cycle. For the purposes of this report, padmounted facilities are "due" on the underground three year detailed inspection cycle.

Wood pole intrusive data in this column represents the total poles intrusively tested by PG&E's Pole Test & Treat Program. PG&E maintains a 10 year inspection cycle; however, poles under 10 years old, and poles under 50 years old with an original treatment of pentachlorophenol that have been previously tested, are intrusively tested on a 20 year cycle per the minimum inspection interval of GO 165.

(3) Definition of "Outstanding"

Units in the "Outstanding" column represent the total units of work by inspection type that PG&E determined should have been completed by the end of 2012 but were not (see Section II for more detail).

Although GO 165 requires padmounted facilities to be detail inspected on a minimum five year cycle, PG&E performs detail inspections of padmounted facilities on a more frequent, three year cycle. For the purposes of this report, padmounted facilities are considered "Outstanding" if they are not inspected within the underground detailed, three year cycle.

II. EXPLANATION OF OUTSTANDING UNITS

There are a total of 477 units in the "Outstanding" column in Table 1 that represent facilities that were not patrolled or inspected in 2012. The 477 units were late due to the following circumstances:

- Accessibility issues represent a common challenge to completing scheduled
 inspections. Nine (9) UG Detailed Inspection and eight (8) OH Detailed
 Inspection units in the "Outstanding" column were late due to accessibility issues.
 Specifically, these units were either paved over, behind thick brush, or in
 marshland that prevented inspection at the time of the initial inspector field visit.
 These units were not clustered in any one specific area.
- Eight (8) UG Detailed inspection units were completed late due to inspector error.
 The inspector completed an overhead inspection of the map instead of an underground inspection. The error was not discovered until 2013.

- One (1) OH Patrol unit was completed late due to a clerical error. A map containing a single OH unit was mistakenly marked as completed when it was not. The error was not discovered until 2013.
- 451 OH Patrol units were missed during a helicopter patrol in 2012. The units
 were inaccessible by the helicopter during the patrol, and were intended to be
 patrolled at a later date. However, due to an oversight, the units missed by the
 helicopter patrol were not discovered or addressed until 2013.

All 477 "Outstanding" units have been, as appropriate to each circumstance, subsequently patrolled or inspected.

III. PRIVATELY OWNED LINES INTIATIVE

In 2012, PG&E began an initiative to assess the condition of privately owned lines (POLs) connected to PG&E's distribution system. As part of this initiative, PG&E completed an inventory of POLs connected to its system, patrolled all POLs to identify any safety and maintenance conditions on behalf of the POL owners², inspected all PG&E owned facilities on the POLs, and reviewed two inspection cycles worth of patrol and inspection documentation of PG&E owned equipment on those lines. The documentation review identified 278 PG&E owned transformers on POLs that did not have sufficient GO 165 patrol and inspection documentation. As a result of PG&E's findings, PG&E performed and completed GO 165 inspections of all 278 of these PG&E owned transformers by May 9, 2013.

² As of the date of this report, PG&E is having ongoing communication with the POL owners to resolve any issues found during the patrol of their facilities.

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL, U.S. MAIL AND COURIER

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of San Francisco; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is Pacific Gas and Electric Company, Law Department B30A, 77 Beale Street, San Francisco, CA 94105.

I am readily familiar with the business practice of Pacific Gas and Electric Company for collection and processing of correspondence for mailing with the United States Postal Service. In the ordinary course of business, correspondence is deposited with the United States Postal Service the same day it is submitted for mailing.

On the 28th day of June, 2013, I served a true copy of:

PACIFIC GAS AND ELECTRIC COMPANY'S GENERAL ORDER 165 ANNUAL INSPECTION REPORT FOR 2012

[XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for A.94-12-005/I.95-02-015/R.96-11-004 with an e-mail address.

[XX] By U.S. Mail – by placing the enclosed for collection and mailing, in the course of ordinary business practice, with other correspondence of Pacific Gas and Electric Company, enclosed in a sealed envelope, with postage fully prepaid, addressed to those parties listed on the official service list for A.94-12-005/I.95-02-015/R.96-11-004 without an e-mail address.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 28th day of June, 2013, at San Francisco, California.

/s/ Martie Way Warmuth
MARTIE WAY WARMUTH