## PACIFIC GAS AND ELECTRIC COMPANY General Rate Case 2011 Phase I Application 09-12-020 Data Response

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#### EXHIBIT REFERENCE: PG&E-6, CHAPTER 6

## SUBJECT: RISK AND AUDIT DEPARTMENT COSTS – INFORMATION TECHNOLOGY PROJECTS

## **QUESTION 13**

Further PG&E states: "In addition, the project will address the need for a centralized notification system to manage employee-wide communication during a catastrophic incident." What types of employee-wide communications does PG&E currently have for use during a catastrophic incident? How often has PG&E experienced a catastrophic incident?

# ANSWER 13

Currently, PG&E has extensive one-way communication tools. Assuming that the intranet, Outlook software and the phone system are working, PG&E can send one-way messages to employees via email and phone messaging. PG&E currently lacks two-way messaging capabilities. For example, if there was a 7.0 magnitude earthquake on the Hayward fault (currently predicted as "overdue" by the US Geological Survey), PG&E would want to quickly establish the safety and well-being of employees and their families, as would any employer. Currently, PG&E relies on employees calling into their supervisor and the supervisor tallying data, passing it along to managers, who pass data along to directors and so on.

Most utilities use two-way messaging tools to allow rapid message broadcasting simultaneously using multiple methods (e.g. office phone, email, text, PIN, fax, home phone, etc.) with a query and response function. For example, Florida Power and Light experienced significant, rapid flooding at a nuclear power station at their Iowa facility in 2008. They were able to account for the safety of all onsite personnel within 15 minutes using their two-way notification tool.

Following the January 10, 2010 Humboldt 6.8 magnitude earthquake, PG&E was able to account for local employees within 2 hours. In this incident, all employees were able to report to work, the work group numbered in the low hundreds, instead of several thousand, and damage to infrastructure was relatively insignificant. Had the earthquake created more damage, a significant portion of the initial response effort would have been trying to establish the safety and well-being of local employees and their families, potentially delaying electric and gas assessment activities.

The last significant catastrophe PG&E and the community it serves faced was the 1989 Loma Prieta earthquake. Additionally, PG&E prepared for significant catastrophe during the 1999/2000 New Year transition, also known as Y2K. Prior to that, the most significant catastrophe to which PG&E responded was the San Francisco earthquake of 1906.

The data above suggests that PG&E should be prepared for about 4 catastrophic events per one hundred years or one event every twenty-five years. Unlike hurricanes, which arrive predictably every year, earthquakes are not predictable, but are guaranteed to happen. Terrorist events, Delta levee failure and ensuing flooding, and tsunamis following large Pacific-based earthquakes are additional types of catastrophes PG&E's service territory may face.