

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

PG&E Data Request No.:	DRA_272-04		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_272-Q04		
Request Date:	June 10, 2010	Requester DR No.:	DRA-272-DAO
Date Sent:	June 21, 2010	Requesting Party:	DRA
PG&E Witness:	Robert Fassett	Requester:	Dao Phan

EXHIBIT REFERENCE: PG&E-18, VOLUME 3B

SUBJECT: DIMP, GAS DISTRIBUTION O&M EXPENSES

QUESTION 4

On page 27-7, PG&E states, "PG&E's forecast is based on these identified risks and the specific actions to be taken to mitigate the risks."

- a. Please list all the "identified risks" referred to in this statement
- b. Please provide a copy of the analyses performed to assess these "risks" in this statement.
- c. Please list all "specific actions" referred to in this statement.
- d. Please provide a copy of all the analyses performed to determine that these "specific actions" are the appropriate mitigation measure for the "identified risks."
- e. Please provide a copy of any and all other actions that PG&E considered as possible mitigation measures for each of the "identified risks."

ANSWER 4

(Question a.): Please refer to PG&E-3, Chapter 17 (p. 17-8, Table 17-1) and PG&E-18, Chapter 27 (p. 27-8, Table 27-3), which provide the identified risks and the specific actions to be taken.

(Question b.): As stated in PG&E-3, Chapter 17 (p. 17-7) and clarified in the response to DRA 064-04, PG&E has been proactively implementing various elements of the DIMP requirements. The DIMP rule did not become final until December 2009, after submittal of the testimony in this case. That final rule mandates that PG&E and other utilities have until August 2011 to develop and implement a final DIMP plan.¹ In the narrative to

¹ 49 CFR 192.1005.

the final rule, PHMSA states, “It is important to implement – to begin the iterative learning process – as soon as practical”.² In anticipation of the final DIMP rule, PG&E has performed “risk identification” in a qualitative manner using subject matter experts reviewing available data and making professional judgments for where PG&E should focus its initial efforts relative to improving the effectiveness of its maintenance programs as required by the final rule. That SME analysis led to identification of the five risk areas discussed below.

In order to implement DIMP and mitigate risk, some of the additional tasks PG&E believes it needs to perform include:

- More frequent leak surveys such as the planned transition from a five-year non-business district leak survey interval to a three-year interval;
- Identifying and mitigating the risks associated with cross-bored sewers;
- Identification and the potential replacement of more Aldyl-A main and services;
- The installation of more marker balls for unlocateable pipelines and at a faster rate than previously funded; and
- Enhancement of human performance through improving targeted gas distribution training, qualification/evaluation, quality control, and quality assurance programs.

(Question c.): Please refer to Question a.

(Question d.): Please refer to Question b.

(Question e.): Please refer to Question b.

² 74 Fed. Reg. 63909)