From: Cherry, Brian K

Sent: 9/20/2010 4:27:14 PM

To: 'pac@cpuc.ca.gov' (pac@cpuc.ca.gov)

Cc:

Bcc:

Subject: FW: PG&E News Conference Today: Gas Pipeline Safety and Maintenance

Program

From: A Message from Chris Johns

To: All PG&E Mail Recipients; All PGE Corp Employees

**Sent**: Mon Sep 20 15:49:06 2010

Subject: PG&E News Conference Today: Gas Pipeline Safety and Maintenance Program

Fellow Employees:

I hope that you had an opportunity to listen in on the news conference that took place earlier today. It's especially important that all 20,000 PG&E employees know that we're maintaining our commitment to transparent outreach to the public and that we will not lose our focus on helping the City and residents of San Bruno in the recovery and healing process.

As you all know, PG&E has been working closely with city officials and many charitable organizations to provide San Bruno with the support they need to rebuild their community. Additionally, PG&E employees continue to give their personal time and financial support to help those affected, and I want to thank you again for everything you've done and will continue to do.

In addition to our efforts in San Bruno, we know that people throughout our service area also want to understand more about our gas transmission pipelines. As part of our commitment to transparency—and to help rebuild trust in the safety of our gas system—we have regularly been sharing important information on our safety practices, our infrastructure and our operations.

To that end, today we released maps that show the locations and routes of our major gas transmission pipelines, as well as some of the tools we use to plan our engineering analyses and future work on our gas transmission pipelines. By providing information to the public about our processes, we want to give people a clearer understanding of how PG&E manages our gas transmission network and how we plan for its safe and reliable future.

It's important for everyone to understand that we monitor our system 24 hours a day, seven days a week. Each year, we make millions of site visits to check for immediate problems. Whenever

we identify a threat to public safety, whether because of a customer report or our own ongoing assessments, we act right away. These items don't go on a list—they are our first priority and we send a crew out to fix the problem immediately.

Beyond that, PG&E routinely looks at a number of factors around each of the 20,000 segments of pipeline that we maintain as part of our long-standing pipeline safety and maintenance practices. Our engineers consider criteria such as: the potential for third-party damage to the line, such as a construction project where digging is planned close to the line; the condition of the pipe, its specific design and physical characteristics; how close the particular segment is in relation to areas that may be prone to ground movement; and how close it is to a densely populated or environmentally sensitive area.

Among other things, our engineers assign values to each of these criteria and come up with a weighted score for each segment and add them to a list of projects as part of our ongoing risk management process. This is one of the tools PG&E uses to help plan future activities and forecast our anticipated long-term resource needs. This list is updated every year based on the latest engineering evaluations, field tests, hands-on inspections and maintenance work. This procedure is followed in some form by almost every gas utility in the country, and is one of many industry best practices we employ to rigorously and responsibly maintain our gas pipelines.

Over the next several weeks we will meet with local officials throughout our service area to review this information and give them an opportunity to ask us any questions they have about our pipelines. We will also take the opportunity to review safety procedures concerning our network with first responders in those communities.

This information, together with accompanying maps, is now available to the public on our website, <a href="https://www.pge.com/pipelineplanning">www.pge.com/pipelineplanning</a>, and I invite you to review it.

In the meantime, please always remember that we are deeply committed to helping rebuild San Bruno, and we will continue to do what we've always done—focus above all else on the safety of our customers, our communities, and our employees.

Chris