From: Clanon, Paul

Sent: 9/27/2010 5:06:22 PM

To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)

Cc:

Bcc:

Subject: RE: PG&E Leak Rate

Understand that it's a last-gasp hail-mary before we go with our original Blame-Cherry game plan.

On Sep 27, 2010, at 8:02 PM, "Cherry, Brian K" < BKC7@pge.com > wrote:

Thx.

From: Clanon, Paul [mailto:paul.clanon@cpuc.ca.gov]

Sent: Monday, September 27, 2010 5:02 PM

To: Cherry, Brian K

Subject: Fwd: PG&E Leak Rate

We're going to release these, as a counter to the LA Times story today.

Begin forwarded message:

From: "Halligan, Julie" < julie.halligan@cpuc.ca.gov>

Cc: "Clark, Richard W." < richard.clark@cpuc.ca.gov >

Subject: Fw: PG&E Leak Rate

Fyi

---- Original Message -----

From: Stepanian, Raffy

To: Clark, Richard W.; Halligan, Julie

Cc: Shori, Sunil; Robertson, Michael; Cauguiran, Aimee

Sent: Mon Sep 27 10:50:37 2010 Subject: RE: PG&E Leak Rate

The numbers of leaks found on PG&E's 1049 miles of HCA transmission line according to the PHMSA website are as follows:

2004: 1 2005: 9 2006: 3 2007: 5 2008: 5 2009: 9 2010: 4

As you can see from these numbers, the number of leaks per year is small and varies greatly from year to year. Comparing the average of these numbers to the averages for other major utilities is not scientific and may not necessarily show any intelligible pattern.

Even if the numbers were indeed consistently higher for PG&E, it would not be appropriate to make conclusions based on this data without looking at the individual leaks, their locations and their causes. It is also possible that different utilities have different interpretations of the criteria for reporting the leaks to PHMSA. Also, a leak is not a violation of Part 192, unless it is not corrected in a timely manner, so repaired leaks are not investigated as part of our routine audit of PG&E.

We will be looking at these leaks individually, and once we do, we will be able to determine if there is a pattern that we should be concerned about.

----Original Message-----From: Clark, Richard W.

Sent: Monday, September 27, 2010 9:41 AM

To: Halligan, Julie; Stepanian, Raffy

Subject: PG&E Leak Rate

Good morning - What is our response to the allegations of PG&E's leak response rates compared to others? See this morning's Newsclips.

Sent from my Windows Mobile® phone.