

Team:

On Monday, the Company will publicly release the “Top 100” list.

We are taking this step to assure that local elected governments, and particularly local public safety agencies, have all the information they need. Our job this weekend is to contact local officials and to let them know the list is coming on Monday afternoon, that their jurisdiction appears on the list, and to schedule a briefing with them and their emergency response teams to go over the details related to their community.

Here is the initial script we suggest you follow:

As part of our effort to provide as much information to the public as possible, on Monday afternoon we will be releasing a list of gas pipe segments throughout our service territory that are characterized as the “Top 100” list. I’m calling today to let you know, before you hear it in the press, that your jurisdiction appears on this list.

The “Top 100” list is part of our ongoing risk management program used to prioritize our engineering analyses and future work on our transmission pipelines. In many cases this consists solely of monitoring; in others, repair or replacement. This list does not include most reliability projects, valves or regulator stations.

The “Top 100” list is NOT a list of projects PG&E has identified as “priority candidates for replacement or upgrade for reasons of public safety.” Any issue identified as a threat to public safety is always addressed right away. We do not delay or defer work that is necessary for public safety.

Beginning Monday, we have subject matter experts available to brief you and your emergency response teams in person on the specifics of the segments in your area. Is there a day and time that would work for you and your team?

If asked:

As part of our risk management program, we continually reevaluate the risk factors applicable to pipeline segments and alter priorities based on the most up-to-date information. PG&E updates its risk assessment at least annually based on engineering evaluations, inspections and work performed. This update looks at all 20,000 transmission pipeline segments and is continually re-evaluated.

There will always be a “Top 100” list because it is a relative ranking of our pipeline segments compared to one another: the segments that score highest in each of five different categories make up the “Top 100.”¹ Because of our continual reevaluation of the applicable risk factors, the “Top 100” list is never cast in concrete; rather, it is a living document used to help us plan our engineering analyses and future work.

¹ Because a segment sometimes ranks high in more than one category or there may be tie scores in one or more categories, the “Top 100” List at any time may contain more or less than 100 segments.

The key factors used in this process for our pipeline segments include the following:

- Dig-ins: the potential for third parties to damage our pipelines through construction work. This is the most significant risk to our pipelines and the most heavily weighted risk in the algorithm PG&E uses to rank its pipeline segments.
- External Corrosion: ongoing monitoring and assessment of the potential for corrosion.
- Design and Materials: Age, diameter, the type of material and depth of pipe.
- Ground Movement: the risks associated with ground movement, such as landslides and earthquakes.
- Location: the potential impact on the environment or reliability as well as the proximity of the pipeline to high density areas.