From: Marre, Charles

Sent: 12/15/2010 5:57:50 PM

To: 'Kahlon, Gurbux' (gurbux.kahlon@cpuc.ca.gov); 'Myers, Richard A.' (richard.myers@cpuc.ca.gov); 'Cadenasso, Eugene' (eugene.cadenasso@cpuc.ca.gov)

Cc: Stock, William (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=WCS3); Horner, Trina (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=TNHC); Redacted Marre, Charles (/O=PG&E/OU=Corporate/cn=Recipients/cn=CMM6)

Bcc:

Subject: RE: Line 132

Gurbux

Following up on our call today and my note from last night, attached is the updated spreadsheet to reflect 2006. I've modified the headings of some of the columns - hopefully this provides greater clarity. In addition, I have added a summary tab to compare the total forecast amount by category of work those projects forecasted in the 2008 GT&S rate case and not worked to the total recorded costs for those projects worked and not included in the 2008 GT&S rate case.

Also, as we discussed today, I will add the two additional categories of work - Manage Buildings and Power Plant Gas Metering - and update the spreadsheet sometime tomorrow. As a point of reference for these two categories of work the total recorded spend and amount forecasted in the rate case for the period 2006 - 2009 are $6.1 million and $7.4 million, respectively.

Please contact me should you have any further questions or would like me to clarify the information.

Chuck Marre
973-1940

From: Marre, Charles
Sent: Tuesday, December 14, 2010 7:42 PM
To: Kahlon, Gurbux; Cadenasso, Eugene; Myers, Richard A.
Cc: Stock, William; Horner, Trina; Yura, Jane; Redacted
Subject: RE: Line 132

Gurbux

Per your request, and following up on the voice message I left, attached are a couple of schedules to respond to the questions below. The first attachment and to be used for question 1, GA IV Projects.xls, provides three separate worksheets which show the following for the years 2007 through 2009:

- A listing of all projects either forecast in Gas Accord IV or with recorded costs. This schedule shows both the capital forecast and recorded costs by category of work and planning order.

- Projects were forecast for Gas Accord and in which no recorded costs have been reported
- Projects in which there have been reported costs and which were not forecast in Gas Accord IV

The detailed forecast and recorded information for 2006 is currently being compiled and will be sent out tomorrow.

In response to the second question, I have attached PG&E's October 4, 2010, memo to Paul Clanon, which provides a comparison of the amount authorized versus spent on pipeline safety and pipeline replacements for the period of 2003 through 2009.

As you review the attachments, you may contact me to help explain or clarify the information. Thanks

Chuck Marre
973-1940

From: Kahlon, Gurbux [mailto:gurbux.kahlon@cpuc.ca.gov]
Sent: Tuesday, December 14, 2010 4:06 PM
To: Dowdell, Jennifer; Yura, Jane; Cadenasso, Eugene; Myers, Richard A.
Cc: Marre, Charles; Stock, William; Horner, Trina
Subject: RE: Line 132

Thanks. When you are ready, please send this information to Rich Myers (ram@cpuc.ca.gov) and to Eugene Cadenasso (cpe@cpuc.ca.gov) also. .

From: Kahlon, Gurbux [mailto:gurbux.kahlon@cpuc.ca.gov]
Sent: Tuesday, December 14, 2010 9:57 AM
To: Dowdell, Jennifer; Yura, Jane
Subject: Line 132

Jennifer, we are getting questions on the $5 million that was diverted from line 132. PG&E has maintained that it spent more money in total than was authorized but spent the money on other higher priority projects.

1. Please provide me an explanation of which higher priority project (s) the $5 million was spent on along with a complete list of all projects done during that time.

2. Also need actual pipe line safety expenditures over the last 5

years.

I need this information by the end of the day today. Please give me a call if you have any questions. Thanks.

Gurbux Kahlon
Manager, Rate Regulation, Analysis and Policy Branch
Energy Division
California Public Utilities Commission
505 Van Ness Ave, San Francisco Ca 94102
Tel: 415-703-1775
E-mail: gkk@cpuc.ca.gov