

From: Bottorff, Thomas E  
Sent: 1/19/2012 8:57:07 PM  
To: 'ditas.katague@cpuc.ca.gov' (ditas.katague@cpuc.ca.gov)  
Cc:  
Bcc:  
Subject: Re: CPUC Commissioner Catherine Sandoval

Ditas,  
I really appreciate your suggestion, especially in light of the personal challenges facing you and your husband.

I'll discuss this with our new VP of communications and see what we can do. I'm sure he'll like the idea.  
Tom

**From:** Earley Jr., Anthony  
**Sent:** Thursday, January 19, 2012 1:57 PM  
**To:** 'ditas.katague@cpuc.ca.gov'  
**Cc:** Bottorff, Thomas E  
**Subject:** Re: CPUC Commissioner Catherine Sandoval

Ditas -  
I understand completely. You are doing the absolute right thing. I wish you and your husband all the best. Hopefully, things will stabilize soon.

Best personal wishes.

Tony

PS Congrats to the Commissioner on flying past the Rules Committee.

**From:** Katague, Ditas [mailto:ditas.katague@cpuc.ca.gov]  
**Sent:** Thursday, January 19, 2012 01:01 PM  
**To:** Earley Jr., Anthony  
**Cc:** Bottorff, Thomas E  
**Subject:** RE: CPUC Commissioner Catherine Sandoval

Tony,  
I wanted to apologize for having to cancel our meeting next week. On a personal note, I'm not sure if you and Tom know but my husband has been battling Stage IV metastatic colon cancer for the last 25 months and we've been commuting from Sacramento to Stanford for his treatment. Things are not going so well and I'm being pulled to spend more time in Sacramento with him and figuring out how to best care for him since he has very few treatment options left. My schedule is a bit tentative these days but I wanted you to know that I continue to think of ideas that may be helpful in your efforts to improve your community affairs and public affairs outreach.

I did have an idea I wanted to share with you regarding your recent employees who were highlighted in Nick's message below. My boss and I do view the employees below as heros and key messengers

internally (and externally) about the change in culture that you and your new team are seeking to affect. At the community level, your customers should know that PG&E employees are fighting to protect them and that these employees now feel safe enough to come forward on their own initiative to ensure the safety of the system and protect their communities. (Some would say in the past these employees would have been punished for doing so and/or that behavior was not encouraged/rewarded or welcomed). It would be an easy thing to create a "local heroes" type of article highlighting these folks (less technical, more "do good for the community and look how PG&E's culture is changing for the better message). These short personal interest articles could be placed into small local community papers and ethnic media papers. Typically these are small staffed establishments who if you give them a "pre-packaged" article with pictures will publish them when they have space. Your media buy folks can also bookend it with a small ad or media buy in the same issue (not same page). Just a thought and perhaps your folks are already doing this.

From the political side of things, I was glad to hear you will be meeting with Senate President Pro Temp Darrell Steinberg (and hopefully his chief policy advisor - Kip Lipper, who is a brilliant policy expert in environment and energy policy). Also yesterday, Commissioner Sandoval and Commissioner Florio were confirmed in the Senate Rules Committee with a 5-0 vote and will go to the Senate floor next week to be voted on by the entire Senate. Finally, Commissioner Sandoval met with Congresswoman Zoe Lofgren and she mentioned that you met with the NorCa Congressional delegation - she shared that they were all very impressed with you and look forward to the changes and improvements you are making.

I will work with your office to reschedule our meeting as my home schedule stabilizes. Thanks so much.

Ditas

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**From:** Sandoval, Catherine J.K.  
**Sent:** Friday, January 06, 2012 05:51 PM  
**To:** 'BKC7@pge.com' <BKC7@pge.com>; Katague, Ditas; Kersten, Colette; St. Marie, Stephen  
**Subject:** Re: Greg, Jill, Ken, Frank, Jon and Others Give Me Hope

Kudos to the PG&E employees who took the initiative to uncover and fix these problems. Thanks to Nick for his email which highlights the key role of PG&E employees in being vigilant about safety. Thanks to Nick, Tony, and all at PGE who support these safety initiatives. I am glad to see accountability and safety in action. Efforts to find and then quickly face and fix problems and work on their root causes, including the disconnect between information systems, makes us all safer. Thank you, Commissioner Sandoval

**From:** Cherry, Brian K [mailto:[BKC7@pge.com](mailto:BKC7@pge.com)]  
**Sent:** Friday, January 06, 2012 04:27 PM  
**To:** Sandoval, Catherine J.K.

**Subject:** Fw: Greg, Jill, Ken, Frank, Jon and Others Give Me Hope

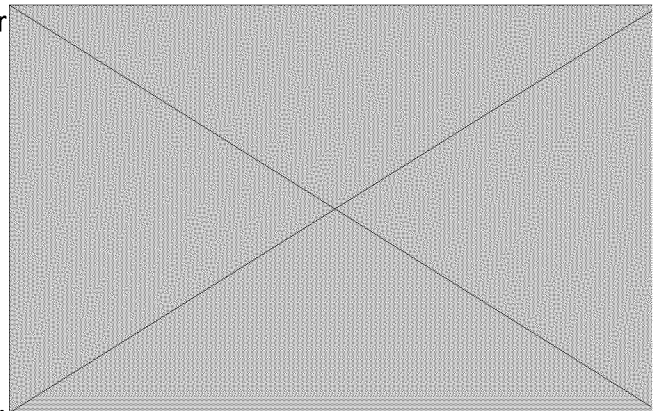
Thought you'd enjoy this.

**From:** A Message from Nick Stavropoulos  
**Sent:** Friday, January 06, 2012 03:56 PM  
**To:** All PG&E Mail Recipients; All PGE Corp Employees  
**Subject:** Greg, Jill, Ken, Frank, Jon and Others Give Me Hope

Team:

Nobody wants to learn about an issue associated with his or her company by reading the newspaper or watching the news. I'm grateful that I didn't hear about the 16 maps missing from our Diablo Division leak survey schedule that way. I learned about them from several PG&Eers who took courageous and swift action to do the right thing. These individuals—you'll read more about what they did below—demonstrated, through the decisions they made, that there is nothing more important than public and employee safety. These employees make me proud to say I work for PG&E.

Here's a summary of what happened and our corrective plan that not only addresses the Diablo Division but strengthens our gas system as a whole.



## Background

- In preparing and reviewing gas maps for the 2012 leak survey, Gas Lead Mapping Technician [Redacted] (pictured at right) decided—on his own initiative—to do a thorough review of the five-year map survey.
- In doing so, he found a map that was not in the leak survey schedule. He enlisted the help of Gas Senior Mapping Technician [Redacted] (pictured above) and they went through the entire list of gas maps.

- Greg and Jill found additional maps that had never been placed in the leak survey schedule. Greg immediately informed his supervisor, [Redacted] and Gas Distribution Engineering Supervisor [Redacted]
- Frank started the reporting process that resulted in a filing to the California Public Utilities Commission (CPUC).
- Diablo/North Bay M&C Gas Superintendent [Redacted] immediately dispatched leak survey crews to the locations that hadn't been surveyed. Leak surveyors came in from Sacramento, San Francisco and the East Bay to help.
- Of the 16 distribution maps that were surveyed, we found:
  - One Grade 1 leak (repaired on Dec. 30)
  - One Grade 2+ leak (repaired on Jan. 3)
  - Seven Grade 2 leaks (six repaired as of Jan. 5; remaining repair to be made today, Jan. 6)
  - 13 Grade 3 leaks (all repaired as of Jan. 5)

### **Preliminary Root Causes**

- Maps were created with gas distribution assets and noted in the Gas Electric Mapping System (GEMS). However, they were not then placed on the Five Year Leak Survey Schedule spreadsheet. That's how these maps were missed in the five-year distribution cycle.
- Maps existed for transmission assets only. When distribution assets were added to these maps, this information was not transferred from GEMS to the spreadsheet referenced above.

### **Corrective Actions (Taken and In Progress)**

- All maps in the Diablo Division have been reviewed to verify that the distribution assets associated with the 16 maps were the only ones not included in the leak survey schedule. After further analysis, it was found that only 15 maps had distribution assets that had not been leak surveyed.
- The mapping checklist has been updated to ensure that all maps are added to the Leak Survey Schedule.
- The entire list of maps in GEMS systemwide is being compared with the Leak Survey Schedule and the mapping SharePoint site.
- Any maps that are not on the Leak Survey Schedule but exist in GEMS will be manually reviewed for distribution assets.
- If any additional distribution assets are not found on the Leak Survey Schedule, they will be immediately surveyed. Any gas leaks identified will be corrected in an accelerated manner with appropriate notification to the CPUC and local authorities.
- Every year a list of newly created maps will be generated from GEMS and compared with the Leak Survey Schedule.
- PG&E's updated Leak Survey standards, policies and procedures will be updated as well as the mapping checklist for all respective divisions.

## Going Forward

Several of Gas Operations' [Top 10 Priorities](#) are focused on catching oversights such as this. **Karen Austin**, our chief information officer, and her team are working aggressively to modernize

PG&E's computer systems and records. Through the Gas Transmission Asset Management Program (GTAM), we will go from being a paper-dependent company to one that works more efficiently and effectively with electronic tools that work in real time (this day can't come soon enough for us.) Once GTAM is implemented, we will move from using multiple databases and spreadsheets to track and schedule our work, to using an integrated asset registry and scheduling tool that leverages SAP.

## **In Closing**

We all need to understand and take seriously the value of doing leak surveys and leak detection work. It's our obligation to get it right. All leaks must be carefully investigated and addressed, and we won't tolerate anyone who attempts to downgrade leaks inappropriately and outside our standards, policies and procedures.

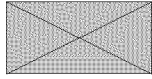
Greg, Jill, Ken, Frank and Jon showed that safety is a core PG&E value. What they and others have done to correct the immediate problem and bolster the integrity of our entire system, will help rebuild trust in PG&E. We all need to think and work this way.

I overheard someone joke that PG&E's problem is that not only are we shooting ourselves in the foot, we keep reloading the gun. These mistakes are extremely costly. More important than any potential fines, though, is the fact that many of our past actions have caused an erosion of trust in our company. We can slowly rebuild this by showing—without any doubt—that we place public and employee safety above all other priorities.

PG&E will make mistakes. There is no perfect company, no error-free individual. Abnormal events occur in businesses that operate 24/7. When we do drop the ball, I hope all of us have the courage to do what our colleagues did:

- Demonstrate that safety is our most important priority,
- Act swiftly and exercise good judgment,
- Learn from our mistakes by talking about them and dissecting the contributing causes, and
- Improve our systems and processes as a result of our mistakes.

Thank you,



Nick

**From:** Earley Jr., Anthony [mailto:anthony.earley@pge-corp.com]  
**Sent:** Tuesday, October 04, 2011 10:04 PM  
**To:** Katague, Ditas  
**Subject:** Re: CPUC Commissioner Catherine Sandoval

Ditas -

Thanks for your kind note. I really look forward to working with you and Commissioner Sandoval. Tom and I are already following up on a number of issues we discussed.

If it is ok with you, I would like to explore further your offer to discuss our outreach strategy. I'll have Tom give you a call.

Finally, if you convince Kavanagh to come out here, I'll sacrifice myself to play at Pebble or Spyglass with him (or both).

I look forward to seeing you soon.

Tony

**From:** Katague, Ditas [mailto:ditas.katague@cpuc.ca.gov]  
**Sent:** Monday, October 03, 2011 09:31 PM  
**To:** Earley Jr., Anthony  
**Subject:** CPUC Commissioner Catherine Sandoval

Tony,  
Commissioner Sandoval and I thoroughly enjoyed meeting you last Thursday and hope to keep the lines of conversation often and open. We hope we can continue to partner with you to restore the public's confidence in, and improve the performance of PG&E. One of the Commissioner's favorite things to talk about is the mission of the PUC and its role of ensuring safe, reliable service, at just and reasonable rates and we were pleased that you share that same mission.

As I mentioned, I know you have a lot on your plate in the near term, but as you move toward looking at your public

affairs and outreach strategy, I would be glad to share my knowledge and experience of connecting with California's vast and diverse population.

Finally, as I was writing a birthday card to our mutual friend Tony Kavanagh at AEP (I think it's the big 53 for him on October 12th), I let him know that you are enjoying your transition to the West (left) coast. In the 20 years I have know Tony, I keep tempting him with a round at "Pebble Beach or Spy Glass", but haven't been successful in getting him out here for a visit! Perhaps with you out here, he can find a "business" reason to come to California.

Thank you for your time. Please feel free to contact me at any time and if you need to get a hold of the Commissioner, I always know where she is and how to get a hold of her. My cell phone is Redacted

Ditas

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