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PG&E MOVING AGGRESSIVELY TO IMPROVE RECORDS IN PUSH FOR SAFETY

SAN FRANCISCO, Calif. – Pacific Gas and Electric Company (PG&E) provided an update today on what the company is doing to overhaul its records management system, particularly for its natural gas pipelines.

The records project began in the wake of the pipeline accident in San Bruno, as the company works to make sure such an accident never happens again. To help identify areas for improvement, PG&E hired the consulting firm PricewaterhouseCoopers (PwC) to assess its recordkeeping practices. Employing a team of records experts, the assessment has covered various aspects of PG&E's gas operations record keeping.

Based on an assessment by PwC: "PG&E proactively retained PwC to assess its recordkeeping practices across its gas operations organization. This is what businesses do when they want to improve and it is a critical step in that process. With the initial assessment complete, PwC is working to finalize its reports and its conclusions."

Meanwhile, the company is already forging ahead on a multi-faceted process to vastly improve its data management, a cornerstone of pipeline safety.

PG&E Executive Vice President of Gas Operations Nick Stavropoulos, a gas industry veteran who was hired in May 2011 to lead a turnaround in the company's gas operations, described the records efforts as a big job, but not insurmountable. He also pointed to the importance of the PwC assessment in guiding reforms.

"PG&E is well aware that we had records challenges and we're addressing them in a thoughtful manner. That's where PwC's assessment will help.

"We have a sound strategy that we are implementing and I'll leverage my deep experience in this industry to make sure of it. I have great comfort in knowing that all of us at

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PG&E are working every day to make things better and safer for our customers, communities and for each other,” Stavropoulos said.

Stavropoulos outlined the following ways PG&E is already moving forward:

- **Validating pipelines’ safe operating pressures:** PG&E has completed its Maximum Allowable Operating Pressure (MAOP) verification effort, which involves record gathering and field investigations, for all 2,000 miles of transmission pipelines in urban areas. The records needed for this project—so far about 2.5 million paper documents—have been scanned, indexed, and stored in a new centralized electronic records system. This was a key first step in organizing pipeline records and making them more accessible to PG&E workers throughout gas operations. The process is now continuing for the remaining transmission lines.
- **Strength-testing pipelines:** PG&E has performed high-pressure water tests on more than 160 miles of pipelines with characteristics similar to the line in San Bruno. The data from these tests have been entered into an electronic system, providing another layer of traceable, verifiable and current information. Plans call for strength testing or verifying records for about 185 miles in 2012, 204 miles in 2013, and 158 miles in 2014.
- **Gas Transmission Asset Management:** The idea behind this program, Stavropoulos said, is to move away from reliance on paper records and toward robust electronic data management systems. PG&E will be connecting field crews to these systems through mobile technology, establishing a master index of job files, and strengthening integrity management and risk analysis tools. These steps will help employees make informed and prompt decisions to ensure public safety.
- **Asset Knowledge Management:** This is one of eight major areas of responsibility that Stavropoulos has created in gas operations. The team oversees the massive effort to validate our pipelines’ MAOP, records verification and management, the production of maps, data quality, and technology and tools. By creating this team, PG&E has made records management a priority and established a clear line of accountability.

- **Company-wide records organization:** On a broader level, PG&E is developing a companywide records management policy that promotes accountability, protects vital records and ensures appropriate retention practices.

All of these programs, Stavropoulos said, stem from PG&E's overarching mission to establish a clear organizational structure that puts public and employee safety first. "That philosophy drives every decision and every action the company makes," he said.

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation (NYSE:PCG), is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with 20,000 employees, the company delivers some of the nation's cleanest energy to 15 million people in Northern and Central California. For more information, visit <http://www.pge.com/about/newsroom/> and www.pgecurrents.com.