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Pacific Gas & Electric Company

Fax

To: [Redacted] & [Redacted] **From:** Dave Newkirk

Fax: [Redacted] **Pages:** 4 (Includes Cover Letter)
[Redacted]

Phone: **Date:** 4/9/08

Re: Response to both of your requests for a **CC:**
sample copy of the "System Active
Grading" report generated out of IGIS.

Urgent For Review Please Comment Please Reply Please Recycle

• **Comments:** Per your request Per my request For your information and disposal

[Redacted] & [Redacted]

The documents faxed herewith are a report generated from IGIS. Go to "Reports" in IGIS and select the "System Active Grading" report. This report has existed for years and sets the tone or encourages actions by local supervisors and managers geared to reducing leak grades to Grade 3 leaks, rather than repairing, Grade 2 & 2+ leaks. Please note that the current "Forecast of Excessive Leaks Scheduled for Repair" in Santa Rosa District projects that there are currently 1356 leaks that could be downgraded for a "Potential Avoided Costs" of \$2,375,702. The report even suggests that there are 68.75 leaks targeted for downgrade. This type of report and its perceived message that it is OK to downgrade leaks bolstered by reduced maintenance budgets has help foster our current situation. For management, they were able to meet budget targets and get their bonuses in the process. It was a win/win for the managers but not for the actual Leak Survey process or the real needs in our facility maintenance programs. (This is not just my belief or opinions but also those of some management employees I have spoken with in the past)

Regards,

[Redacted] Cell: [Redacted]



Monthly Active Grade 2+ and 2 % Gas Threshold Report Summary

Division Name	District Name	Active Grade 2 and 2+ Leaks with reading < or = 1% gas (A)	Active Grade 2 and 2+ Leaks with reading > 1% gas and < or = 2% (B)	Active Grade 2 and 2+ Leaks with reading > 2% gas (C)	Total Active Grade 2 and 2+ Leaks For the Respective Month (D) A+B+C	Assuming that 25% of the Above 2% Gas Active Grade 2 and 2+ Leaks are OK at 2% or Less of Gas, the Target Number of Leaks for Downgrade are (E) C * 25%	Forecast of Excessive Leaks Scheduled for Repair (F) (E - (A + B)) OR 0	Actual Average Cost To Repair a Leak Based on 2001 Actuals (G)	Potential Avoided Costs (H) F*G
Peninsula	Peninsula	23	10	55	88	13.75	19.25	\$2,787.26	\$53,654.76
	Skyline	11	5	54	70	13.5	2.5	\$2,787.26	\$6,968.15
Peninsula Total:		34	15	109	158	27.25	21.75		\$60,622.91
San Francisco	San Francisco	113	12	227	352	56.75	68.25	\$1,764.26	\$120,410.75
San Francisco Total:		113	12	227	352	56.75	68.25		\$120,410.75
Area 1 Total:		147	27	336	510	84	90		\$181,033.65
Diablo	Diablo	189	51	163	403	40.75	199.25	\$4,146.44	\$826,178.17
Diablo Total:		189	51	163	403	40.75	199.25		\$826,178.17
East Bay	Bay	136	17	54	207	13.5	139.5	\$2,409.49	\$336,123.86
	Central	49	22	120	191	30	41	\$2,409.49	\$98,789.09
East Bay Total:		185	39	174	398	43.5	180.5		\$434,912.94
Mission	Mission	59	10	105	174	26.25	42.75	\$3,348.44	\$143,145.81
Mission Total:		59	10	105	174	26.25	42.75		\$143,145.81
Area 2 Total:		433	100	442	975	110.5	422.5		\$1,404,236.93
Central Coast	Coast	17	6	11	34	2.75	20.25	\$2,567.32	\$51,988.23
	Hollister							\$2,567.32	
	King City	1	0	1	2	0.25	0.75	\$2,567.32	\$1,925.49
	Los Padres							\$2,567.32	
	Monterey	4	1	3	8	0.75	4.25	\$2,567.32	\$10,911.11
	Salinas	4	1	1	6	0.25	4.75	\$2,567.32	\$12,194.77
	Santa Maria							\$2,567.32	
Central Coast Total:		26	8	16	50	4	30		\$77,019.60
De Anza	De Anza	34	20	68	122	17	37	\$3,095.01	\$114,515.37
De Anza Total:		34	20	68	122	17	37		\$114,515.37

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San Jose	San Jose	40	18	38	96	9.5	48.5	\$2,305.55	\$111,819.18
San Jose Total:		40	18	38	96	9.5	48.5		\$111,819.18
Area 3 Total:		100	46	122	268	30.5	115.5		\$303,354.15
Fresno	Fresno	1	0	22	23	5.5	0	\$1,585.95	\$0.00
	Kings							\$1,585.95	
Fresno Total:		1	0	22	23	5.5	0		\$0.00
Kern	Kern	13	3	3	19	0.75	15.25	\$3,183.15	\$48,543.04
Kern Total:		13	3	3	19	0.75	15.25		\$48,543.04
Area 4 Total:		14	3	25	42	6.25	15.25		\$48,543.04
Stockton	Delta	23	4	19	46	4.75	22.25	\$2,226.41	\$49,537.62
	Mother Lode							\$2,226.41	
Stockton Total:		23	4	19	46	4.75	22.25		\$49,537.62
Yosemite	Stanislaus	60	8	14	82	3.5	64.5	\$1,975.23	\$127,402.34
	Yosemite	0	1	3	4	0.75	0.25	\$1,975.23	\$493.81
Yosemite Total:		60	9	17	86	4.25	64.75		\$127,896.14
Area 5 Total:		83	13	36	132	9	87		\$177,433.77
North Valley	Chico	3	0	1	4	0.25	2.75	\$1,894.66	\$5,210.32
	Glenn							\$1,894.66	
	Oroville	6	1	6	13	1.5	5.5	\$1,894.66	\$10,420.63
	Paradise	2	0	0	2	0	2	\$1,894.66	\$3,789.32
	Red Bluff	0	0	2	2	0.5	0	\$1,894.66	\$0.00
	Redding	3	4	8	15	2	5	\$1,894.66	\$9,473.30
	T&R							\$1,894.66	
North Valley Total:		14	5	17	36	4.25	15.25		\$28,893.57
Sacramento	Colusa							\$2,234.60	

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Sacramento	Sacramento	40	11	25	76	6.25	44.75	\$2,234.60	\$99,998.35
	Solano	3	0	1	4	0.25	2.75	\$2,234.60	\$6,145.15
	Yolo	7	8	5	20	1.25	13.75	\$2,234.60	\$30,725.75
Sacramento Total:		50	19	31	100	7.75	61.25		\$136,869.25
Sierra	Colgate	2	0	0	2	0	2	\$2,435.57	\$4,871.14
	El Dorado	3	1	0	4	0	4	\$2,435.57	\$9,742.28
	Nevada							\$2,435.57	
	Placer	4	0	2	6	0.5	3.5	\$2,435.57	\$8,524.50
Sierra Total:		9	1	2	12	0.5	9.5		\$23,137.92
Area 6 Total:		73	25	50	148	12.5	86		\$188,900.73
North Bay	Marin	101	14	32	147	8	107	\$1,620.49	\$173,392.43
	Napa	5	0	4	9	1	4	\$1,620.49	\$6,481.96
	Vallejo	6	0	5	11	1.25	4.75	\$1,620.49	\$7,697.33
North Bay Total:		112	14	41	167	10.25	115.75		\$187,571.72
North Coast	Arcata	0	0	1	1	0.25	0	\$1,751.67	\$0.00
	Eureka	3	0	1	4	0.25	2.75	\$1,751.67	\$4,817.09
	Fortuna							\$1,751.67	
	Santa Rosa	1299	126	275	1700	68.75	1356.25	\$1,751.67	\$2,375,702.44
	Ukiah	13	0	0	13	0	13	\$1,751.67	\$22,771.71
North Coast Total:		1315	126	277	1718	69.25	1372		\$2,403,291.24
Area 7 Total:		1427	140	318	1885	79.5	1487.75		\$2,590,862.96
SYSTEM TOTAL:		2277	354	1329	3960	332.25	2304		\$4,894,365.21

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