From: Cherry, Brian K

Sent: 7/9/2012 5:05:05 PM

To: Clanon, Paul (paul.clanon@cpuc.ca.gov); Lindh, Frank (frank.lindh@cpuc.ca.gov) (frank.lindh@cpuc.ca.gov)

Cc:

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Subject: FW: FPacific Gas and Electric Company News Release: STATE-OF-THE-ART TECHNOLOGY GIVES DETAILED LOOK INSIDE NATURAL GAS PIPELINES TO CONFIRM SAFE OPERATIONS

FYI

From: Corporate Relations Mailbox
Sent: Monday, July 09, 2012 11:05 AM
To: News Release Distribution
Subject: FPacific Gas and Electric Company News Release: STATE-OF-THE-ART TECHNOLOGY GIVES DETAILED LOOK INSIDE NATURAL GAS PIPELINES TO CONFIRM SAFE OPERATIONS

Pacific Gas and Electric Company issued the following release entitled:

STATE-OF-THE-ART TECHNOLOGY GIVES DETAILED LOOK INSIDE NATURAL GAS PIPELINES

TO CONFIRM SAFE OPERATIONS

PG&E's Comprehensive Pipeline Safety Actions Include SmartScan™

Inspection Tool from GE Joint Venture PII Pipeline Solutions

MILPITAS, Calif. – Pacific Gas and Electric Company (PG&E) today showcased the state-of-the-art technology the company is using to inspect the inside of its large natural gas pipelines—the arteries of the system that heats and powers customers' homes and businesses.

Rigorous pipeline inspections are among the ways PG&E is proactively ensuring the safety and reliability of its gas system. Throughout Northern and Central California, PG&E is also strength-testing and replacing pipelines, checking for leaks on a strict schedule, and automating valves to stop the flow of gas faster in an emergency.

At its Milpitas Gas Terminal today, PG&E highlighted plans to assess more of its pipelines with "in-line inspection" tools called "smart pigs." Representatives were on hand from PII Pipeline Solutions (a GE Oil & Gas and Al Shaheen joint venture), which developed the SmartScan™ inspection technology being used this week on a 15-mile stretch from Fremont to San Lorenzo.

The flexible, multi-diameter tool—measuring 14 feet long and weighing nearly one ton—travels through the pipeline, using a combination of GPS data, magnetic sensors and other technology to collect information that's then analyzed to assess the condition of the pipe. It can identify corrosion or other defects that may exist. PG&E uses this data to determine what maintenance is required on the pipeline, including excavating to repair or replace pipeline segments.

"Technology like SmartScan™ is a tremendous tool for inspecting our pipelines," said Jesus Soto Jr., PG&E's senior vice president, Gas Transmission Operations. "Having worked in the gas industry for 20 years, I can tell you that this is the most advanced way to determine the overall condition of the pipeline. It detects potential issues with the line, and that means we'll be able to promptly address them."

"Our work with PG&E is based on using our technology and experience to gather accurate and reliable data about the condition of their pipelines. PG&E's pipeline engineers can then use that data to make informed decisions about how best to keep their pipeline network safe," said Michael Bellamy, general manager—PII Pipeline Solutions. "Our SmartScan™ technology has a proven track record in the U.S., supporting the needs of operators all across the country to evaluate the condition of their pipelines as part of their ongoing maintenance programs."

PG&E has ramped up its schedule of interior pipeline inspections. In 2012, PG&E has eight "smart pig" projects inspecting up to a total of 206 miles. The utility plans 25 more inspections of varying distances through 2014.

PG&E's additional pipeline safety efforts in 2012 include:

•□□□□□□□ Replacing about 39 miles of transmission pipelines

•□□□□□□□ Strength-testing about 170 miles of pipelines using high-pressure water

•□□□□□□□ Automating 46 valves, allowing for remote control and, in some cases, automatic shutoff

To date, PII has inspected over 2,200 miles of pipelines using the SmartScan™ technology throughout the U.S. The SmartScan™ inspection tool was developed by PII's global technology team: Its mechanical design was developed in Toronto, Canada; the electronics in Karlsruhe, Germany; magnetics and sensors in Cramlington, UK; and ancillary systems and testing in Houston, Texas.

About GE

GE (NYSE: GE) works on things that matter. The best people and the best technologies taking on the toughest challenges. Finding solutions in energy, health and home, transportation and finance. Building, powering, moving and curing the world. Not just imagining. Doing. GE works. For more information, visit the company's website at www.ge.com.

About PG&E

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