From:Prosper, Terrie D.Sent:8/15/2012 10:26:54 AMTo:Doll, Laura (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=LRDD)Cc:Bcc:Subject:Re: local NBC Bay Area Story - gas leaks

Thanks!

----- Original Message -----From: Doll, Laura [mailto:LRDD@pge.com] Sent: Wednesday, August 15, 2012 09:52 AM To: Prosper, Terrie D. Subject: FW: local NBC Bay Area Story - gas leaks

Hit send too soon -- meant to send to you and Paul.

-----Original Message-----From: Doll, Laura Sent: Wednesday, August 15, 2012 9:51 AM To: Clanon, Paul (paul.clanon@cpuc.ca.gov) Cc: Frizzell, Roger Subject: local NBC Bay Area Story - gas leaks

Paul

To keep you fully informed, I said I would send you a link to the NBC story from last Sunday and here it is: http://www.nbcbayarea.com/investigations/Gas-Leaks--Repair-Delays-At-PGE-165814376.html

Also Roger's internal Currents article which addresses some of the inaccuracies.

-----Original Message-----From: Frizzell, Roger Sent: Monday, August 13, 2012 7:30 AM To: All PGE Directors Subject: Last night's local NBC Bay Area Story - gas leaks

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Currents

PG&E's Gas Distribution Operations: Faster Response, Improved Leak Surveys and Repairs

Over the past six months, PG&E has made significant progress in how quickly it responds to calls from customers who suspect there is a gas leak because they smell the strong odor of gas.

Right now, when a customer calls PG&E's 24-Hour Emergency and Customer Service Center at (800) 743-5000, a utility Gas-Service Representative (GSR) will on average arrive within 30 minutes 83 percent of the time, said Kevin Knapp, PG&E's vice president of gas distribution maintenance.

A year ago, PG&E would meet that 30-minute response time on average 58 percent of the time.

"That's a big improvement," said Knapp. "And it's a big step in our efforts to regain the trust of our customers."

That's just one example of how PG&E has been improving the entirety of its gas operations – both its large transmission pipelines that move big quantities of gas over many miles and its smaller distribution lines that bring gas right to the homes and businesses of customers.

Knapp, a 30-year veteran of gas utilities in New York and New England, joined PG&E earlier in 2012.

'Seeing and feeling improvement'

Another example of progress, he said, is PG&E's Distribution Integrity Management Plan, known internally as DIMP. This forward-looking plan will assess the key factors related to the 42,000 miles of distribution pipeline in PG&E's system – age, type of material used, maintenance history, location – and then make recommendations on proactive repairs and replacements.

"There's still work to be done," Knapp said, "but we're already seeing and feeling the improvement."

How is PG&E getting better?

• More people. PG&E's Gas Operations has added hundreds of workers, including 40 new gas-service representatives who deal directly with customer problems. A pilot program, called "Make-Safe GSRs," has been so successful that it is now being rolled out system-wide. With it, certain gas workers are assigned to smaller jobs that will allow them to respond to calls that require immediate response such as carbon-monoxide leaks, gas digins and others.

• Improved communications. PG&E's gas operations is now working more closely with its union workforce, with other departments in the company and with important third-parties, such as emergency responders, Knapp said.

• Better tools. Leak-survey workers have started using handheld tablets that make real-time data and pipeline maps instantly accessible. An advanced leak detection instrument called Detecto Pak-Infrared (DP-IR) uses infrared technology to pinpoint methane gas without false alarms from other gases. This technology can detect and grade leaks at the same time.

"Nothing is more important to PG&E and its customers than making sure our gas system is safe," said Knapp.

'Well-thought-out' plan to repair leaks

Surveying for leaks, entering them into PG&E's record-keeping system and then repairing them is another key part of the company's plan to improve its gas-distribution operations.

PG&E performs a leak survey on every customer gas meter set, as well as all gas distribution pipeline assets, at least once every five years.

When PG&E performs its survey, it identifies all leaks, enters them into an electronic database for tracking and scheduling, and addresses them appropriately.

The company uses a variety of tools and techniques to check for leaks, ranging from workers who walk near pipelines carrying sophisticated hand-held tools to aerial patrols that rely on high-tech radar to detect problems. Once leaks are detected and graded, repairs are made in an appropriate amount of time.

The company has set ambitious goals for decreasing the number of existing leaks in its system, Knapp said. Grade 1 leaks are repaired immediately. Grade 2+ and Grade 2 leaks aren't considered hazardous but must be repaired within a certain amount of time. Any Grade 2+ or Grade 2 leaks found in 2011 will be repaired by October of this year, Knapp said.

That said, it's a moving target, Knapp said, as new leaks will be found. But, between the ambitious leak-repair effort and DIMP, PG&E is developing a "well-thought out and proactive plan" for making continuous improvement.

PG&E also is working to deal with Grade 3 leaks, which must be monitored, and even small trace leaks.

A plan to repair even the smallest leaks As it continues to upgrade its gas operations, PG&E recently began working on an aggressive plan to repair very small leaks by the end of 2013.

How small are these trace leaks?

They are very small leaks found on customer meter sets. These types of trace leaks vent into the atmosphere and typically pose no danger or hazard for PG&E customers. In fact, federal regulations do not require that they be repaired.

Still, PG&E has begun repairing these types of trace leaks as part of a larger plan to overhaul and improve its gassystem operations and will have eliminated the backlog of meter-set leaks by the end of 2013.

Taking next steps

More progress is ahead, Knapp said. PG&E is moving many of its Gas Operations office staff to San Ramon. That facility will include a state-of-the-art Gas Distribution Control Room and Dispatch Center. Knapp said PG&E will use it to monitor and assess its distribution system in a similar way that air-traffic controllers monitor and control airplanes.

"These are the building blocks as we continue to improve our safety and reliability," said Knapp.

PG&E is committed to protecting our customers' privacy. To learn more, please visit <u>http://www.pge.com/about/company/privacy/customer/</u>