

From: Cherry, Brian K
Sent: 1/16/2013 12:23:55 PM
To: Pocta, Robert M. (robert.pocta@cpuc.ca.gov)
Cc:
Bcc:
Subject: RE: Yesterday's gas day...a near record!

Sounds good. We can go to the Ferry Building

Brian K. Cherry
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San Francisco, CA. 94105
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On Jan 16, 2013, at 11:35 AM, "Pocta, Robert M." <robert.pocta@cpuc.ca.gov> wrote:

Okay. How about we meet 11:45 downstairs at PG&E?

From: Cherry, Brian K [<mailto:BKC7@pge.com>]
Sent: Wednesday, January 16, 2013 10:55 AM
To: Pocta, Robert M.
Subject: RE: Yesterday's gas day...a near record!

Let's do the 14th.

From: Pocta, Robert M. [<mailto:robert.pocta@cpuc.ca.gov>]
Sent: Wednesday, January 16, 2013 9:45 AM
To: Cherry, Brian K
Subject: RE: Yesterday's gas day...a near record!

Sounds good. How about sometime the second week of February? I'm open Feb. 12, 13 and 14th.

Thanks for the info.

From: Cherry, Brian K [mailto:BKC7@pge.com]
Sent: Tuesday, January 15, 2013 7:19 PM
To: Pocta, Robert M.
Subject: FW: Yesterday's gas day...a near record!

Mark – FYI. We should schedule lunch again.

From: Stavropoulos, Nickolas
Sent: Tuesday, January 15, 2013 11:00 AM
To: Earley Jr., Anthony; Johns, Christopher; Harvey, Kent M; Bottorff, Thomas E;
Pruett, Greg S.; Williams, Geisha; Conway, John; Wan, Fong; Frizzell, Roger; [Redact]
[Redact] Burt, Helen; Doll, Laura; Cherry, Brian K
Subject: FYI: Yesterday's gas day...a near record!

Subject: Yesterday's gas day

Yesterday's gas day was the second highest send out on the PG&E system ever – and just 90 MMCFD below the highest demand day which occurred in 1998. System throughput was approximately 4.21 BCF. In addition, 4 of the top 20 throughput days have occurred in January 2013 and it looks like today and tomorrow will potentially bring that number to 6 of 20. An interesting fact is that these loads have occurred and we are still not near to an APD temperature. Yesterday's composite temperature was 39.9°F with APD planning composite temperature being 27°F. Yesterday we saw Sacramento at 85% of APD with all other significant load centers below 80% of APD. No curtailments even though we have exceeded our Cold Winter Day (CWD) criteria. A few interesting facts about the day:

- [Redacted] Supply from storage was almost 2.4 BCFD which exceeded the gas volumes at the interconnects. This is typical for cold weather. Gas on the interstate pipelines stays to the north and to the east as demand picks up in those regions and our reliance on storage goes up. We still only used just over

half of the 4 BCF storage capacity connected to the system. We saw gas load on the Redwood path drop from 2.1 BCFD to 1.4 BCFD and Baja drop from 650 MMCFD to 350 MMCFD during the cold weather.

- Even though our total throughput was very high, the core load was lower than during previous high flow days. The higher throughput yesterday is attributed to electric generation. When comparing yesterday's load to the load for the peak day in 1998, the generation load was 300 to 350 MMCFD higher in 2013. As we all know, the gas and electric industries are becoming ever more dependent on each other – which is the reason for the FERC interest in gas and electric collaboration.

- As we have discussed in GT&S rate case meetings, the generation load will continue to play a larger part in our operations – not only in terms of total demand, but also in terms of inventory use (storage and pipeline) and system swings due to the need to load follow new renewable resources.

Below is a graph from a recent Platts article about new gas fired generation being built between now and 2017 – this is the GT&S rate case period. It indicates that 2500 MW will be built in CA. Over the last 10 years, California gas demand serving electric generation has increased by 1 BCF/day on average and it is projected to continue to grow.

The system has performed well even though L210 A&B are operating at reduced pressures due to the over pressure event at Creed Station. Gas Control called on the Santa Rosa station which operated between midnight and 5 AM. The outlook for system operations remains positive.

Mel

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