Pacific Gas and Electric Company

Jeffrey L. Deal, P.E.
Director
Compliance and Risk Management

5555 Florin-Perkins Rd., 128
Sacramento, CA 95826
916-386-5100
JLD4@pge.com

January 31, 2013

Raffy Stepanian, Program Manager
California Public Utilities Commission
320 W 4th Street, Suite 500
Los Angeles, CA 90013

Mr. Stepanian,

This communication serves as an update to the meeting PG&E had with you and your staff on November 27, 2012. PG&E committed in that meeting to complete the field work by December 31, 2012, to report on the findings of those field activities, and respond to three additional questions SED Staff had requested of PG&E at the November 27 meeting.

As we discussed at our meeting, PG&E takes its responsibility to conduct patrols and inspections seriously. PG&E conducted a thorough analysis of its patrol and inspection records in 2012 to identify gaps and implement process improvements. Through this analysis, PG&E found that maintenance plans were not created for all maps and as a result, there were gaps in PG&E's patrol or inspection of facilities. PG&E immediately undertook an effort to complete field inspection activities for all facilities on maps with missing maintenance plans. As committed, PG&E completed these activities by December 31, 2012. PG&E did not identify any unsafe conditions requiring immediate action. A summary of the identified items is provided in the Attachment.

Please note that the number of maintenance plan gaps reported at the November 27, 2012 meeting has been slightly reduced. This change is a result of two factors: (1) PG&E continued to search for and successfully located documentation of patrol and inspection records; and (2) the patrol and inspection process identified cases where facilities indicated on distribution maps did not exist in the field. Also, the final number of impacted facilities has increased slightly based on final field confirmation. The final number of maintenance plans and impacted facilities are reflected in the tables in the Attachment.

PG&E has also completed implementation of the corrective actions discussed during the meeting. For all maps identified as having a missing maintenance plan, the corresponding maintenance plan(s) have been created. In addition, the automated process for identifying facilities on maps without existing maintenance plans has been implemented, the responsibility for monitoring the results has been assigned centrally within PG&E's Distribution Compliance Department, and the monthly reconciliation and

validation process has been established. PG&E believes these corrective actions will eliminate the gaps identified in this initiative.

Please let me know if you have any questions or would like to schedule a meeting to discuss this information.

Sincerely,
/s/
Jeffrey L. Deal, P.E.
Director, Compliance and Risk Management

cc: P.J. Martinez, Vice President, Electric Asset Management, PG&E
Raymond Fugere, Program and Project Supervisor, CPUC/ESRB
Redacted Manager, Distribution Compliance, PG&E

Attachment (Page 1 of 6)

Updated Summary of Missing Maintenance Plans with Non-Conformances

Region	Division	Overhead Non-Conformances	Underground Non-Conformances	Total Non-Conformances			
				Inspection	Patrol	Total	% of Total MPs
Bay Area	DI	6	0	6	0	6	0.28%
	EB	0	1	1	0	1	0.10%
	NB	9	18	23	4	27	1.22%
	SF	0	0	0	0	0	0%
Central Coast	CC	3	43	20	26	46	1.02%
	DA	1	5	2	4	6	0.56%
	LP	4	102	71	35	106	3.24%
	MI	2	0	2	0	2	0.10%
	PN	8	15	14	9	23	1.25%
	SJ	2	9	8	3	11	0.53%
Central Valley	FR	41	189	166	64	230	5.07%
	KE	93	139	111	121	232	7.28%
	ST	25	90	54	61	115	2.90%
	YO	67	100	132	35	167	4.51%
Northern	HB	33	58	54	37	91	3.02%
	NV	0	0	0	0	0	0%
	SA	7	21	11	17	28	1.25%
	SI	5	35	18	22	40	0.73%
	SO	7	4	7	4	11	0.36%
Total		**313**	**829**	**700**	**442**	**1142**	**2.07%**

Attachment (Page 2 of 6)

Updated Summary of Facility Non-Conformances Resulting from Missing Maintenance Plans

Region	Division	Total Non-Conformances			
		Inspection	Patrol	Total	% of Total Facilities
Bay Area	DI	0	0	0	0%
	EB	6	0	6	0.01%
	NB	277	186	463	0.49%
	SF	0	0	0	0%
Central Coast	CC	134	77	211	0.14%
	DA	1	4	5	0.01%
	LP	329	208	537	0.35%
	MI	2	0	2	0.00%
	PN	126	34	160	0.20%
	SJ	17	19	36	0.04%
Central Valley	FR	1586	466	2052	0.70%
	KE	1245	1107	2352	1.36%
	ST	344	405	749	0.38%
	YO	2244	280	2524	0.98%
Northern	HB	1031	200	1231	0.88%
	NV	0	0	0	0%
	SA	198	125	323	0.23%
	SI	181	164	345	0.14%
	SO	67	27	94	0.07%
Total		7788	3302	11090	0.40%

Attachment (Page 3 of 6)

Summary of Identified Items Found During Field Inspection Activities of Identified Maps

- Total EC Notification Created (Open + Closed) as of 1/22/13

Division	A	B	E	F	Total
CC	0	1	6	9	16
FR	0	1	11	20	32
KE	0	4	27	72	103
LP	0	1	8	5	14
NB	0	10	11	2	23
NCN	0	0	19	140	159
NCS	0	0	4	5	9
PN	0	0	2	0	2
SA	0	1	7	4	12
SI	0	0	9	19	28
ST	0	0	13	10	23
YO	0	9	59	21	89
Total	**0**	**27**	**176**	**307**	**510**

- Priority "B" Notifications by type.

Facility	Damage	Closed	Open	Total
Connector/Splice	Temperature Differential		1	1
Elbow DB	Temp Differential	1		1
Enclosure	Could Not Locate	6		6
Fault Indicators	Broken/Damaged	10		10
Lid/Frame	Missing	3		3
Pole	Broken/Damaged	1		1
Transformer - Padmount	Leaks/Seeps/Weeps	3		3
UG Facility	Could Not Locate	2		2
Total		**26**	**1**	**27**

- Open ECs Notifications as of 1/22/13

Division	B	E	F	Total
CC		3	8	11
FR		9	20	29
KE		25	71	96
LP		6	5	11
NB		7	2	9
NCN		19	139	158
NCS		4	2	6
PN		2		2
SA	1	7	4	12
SI		9	19	28
ST		13	10	23
YO		58	21	79
Total	**1**	**162**	**301**	**464**

- EC Notification Priority Definitions

  Priority A – Safety / Emergency Immediate Response

  An emergency is defined as any activity in response to an outage to customer(s) or an unsafe condition requiring immediate response/standby to protect the public.

  Priority B – Urgent Compliance (due within 3 months)

  Priority E – Scheduled Compliance (due within 12 months)

  Priority F – Scheduled Compliance (For Regulatory Conditions, the Recommended Repair Date should be next Inspection date.)

Question 1:

Did any reportable incidents involve facilities that had not been patrolled or inspected as required?

PG&E performed a comparison of all electric distribution[1] reportable incidents that occurred between January 2000 and December 2012 against the listing of maps identified as having inspection or patrol gaps. This review included all CPUC reportable incidents for which a final or amended final report had been prepared. The data set included a total of 1,302 reportable incidents. Approximately 20% of the records did not include location information which is fairly typical of data collected early in PG&E's incident reporting program. Conversely, approximately 80% of the incidents included some location information. PG&E's Geographic Information Systems (GIS) Team then attempted to derive the corresponding distribution map. For all maps where the GIS team could not determine a distribution map with a high degree of certainty a hand analysis was performed.

[1] Transmission or substation incidents that had no applicability to distribution maps were excluded from the review.

The comparison identified two incidents for which the details are provided below. Based upon the circumstances, PG&E does not believe there is a relationship between the patrol or inspection gap and the incidents.

- **PG&E Incident Number:** EI010730A
  Overhead/Underground: Overhead
  Incident Year: 2001
  Incident Type: Vegetation
  Division: Fresno
  Distribution Plat Map: 1421035
  Incident Description: A healthy poplar tree (diameter 25", height 30') broke five feet above the ground and landed on the primary conductors starting a grass fire. The FR Fire Department put out the one tenth-acre grass fire.

- **PG&E Incident Number:** EI060101A
  Overhead/Underground: Overhead
  Incident Year: 2006
  Incident Type: Injury
  Division: Humboldt
  Distribution Plat Map: G17 – Eureka District
  Incident Description: A lineman recently upgraded to troubleman was responding to an outage during a winter storm in a wooded rural area. A tree had fallen across overhead conductors, bring them to the ground. The troubleman was attempting to clear the wires pinned down by the tree by cutting a tree limb. As the branch was freed, a wire snapped upward injuring the troubleman, causing him to fall to the ground. The troubleman sustained fractures to both arms and lacerations to the head.

Question 2:

What maintenance plan went the longest without a patrol or inspection and the length of time?

PG&E has not been able to locate a documented patrol or inspection since General Order 165 became effective for facilities related to 95 missing maintenance plans. As discussed above, PG&E has inspected these facilities and has not identified any unsafe conditions requiring immediate action.

Question 3:

Are there any similar maintenance plan gaps in the Vegetation Management or Pole Test and Treat Programs?

a) Vegetation Management

The Vegetation Management Program does not use maintenance plans to schedule work. PG&E has conducted a gap analysis related to its VM program and has determined that the program has adequate controls to ensure 100% identification and patrol of distribution and transmission lines.

b) Pole Test & Treat

The Pole Test and Treat Program (PTT) does not use maintenance plans to schedule work. The PTT program depends on SAP asset registry data for pole assets and has processes to ensure that every known pole within PG&E's system is tested. When discrepancies with PG&E asset registry data are found in the field there are processes to update the asset register.