

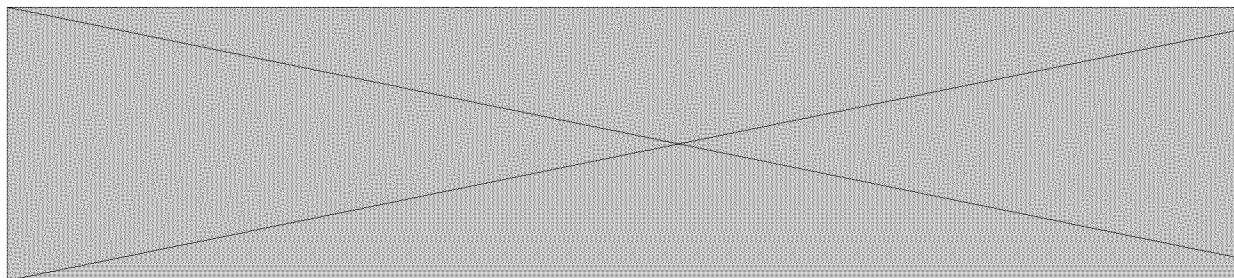
From: Cherry, Brian K
Sent: 3/5/2014 4:01:04 PM
To: Clanon, Paul (paul.clanon@cpuc.ca.gov)
Cc:
Bcc:
Subject: FW: Gas Operations: See Our Progress

FYI. I thought you'd appreciate seeing the progress Nick has made on the gas side since 2010 (see the pdf file).

From: Bottorff, Thomas E
Sent: Wednesday, March 05, 2014 3:56 PM
To: Cherry, Brian K
Subject: FW: Gas Operations: See Our Progress

Fyi

Tom



Team:

In the last couple of weeks, your leadership team had the opportunity to come together to review and share all of our great accomplishments from 2013 and look ahead to 2014. It's clear that we have a lot to celebrate and you should be very proud of the incredible safety and reliability improvements we've

accomplished toward our vision of becoming the safest and most reliable gas company in the nation. I can't thank you enough for all that you did last year and I look forward to what we can do together as a team this year.

See Our Progress

In 2013, our results were outstanding, and here is just a snapshot of what you have achieved:

You moved us into the top quartile for gas utilities nationwide for responding to gas odor calls by arriving, on average, in 21 minutes. Last year, you walked nearly every inch of our 6,750 miles of transmission system to obtain and record precise GPS data and identify potential problems in our rights-of-way. That's more miles than it would take you to walk from San Francisco to Boston and back—Lewis and Clark would be very proud. In 2010, it was taking us an average of 75 days to update our maps, and we do it in less than half that time now. You made 157 miles of transmission line piggable in 2013—that's equivalent to nearly six marathon races! You replaced 69 miles of distribution pipes throughout our system, which is the length of over 1,200 football fields. You built the best, most technologically-advanced control center of any gas utility out there.

You found ways to make our work more efficient, delivering our Pipeline Safety Enhancement Plan on time and on budget. You went out of your way to help our customers who stopped by your job sites. You attended countless community events and city council meetings. You answered questions from your neighbors, you jumped up when you saw the emergency alert come in, you raised your hand when you saw a problem, and you put in endless hours to get the job done. And you embraced our mantra of "find it, fix it."

We are making incredible progress but still have a long way to go

You can see more of the fruits of our labor in the new Gas Operations "See Our Progress" report card attached. Post the scorecard in the break room, leave a copy in your crew truck and share it with your fellow team members. I'm extremely proud of what we've accomplished and know we could not achieve these results without your dedication and the support and cooperation of the IBEW and ESC leadership. We are becoming the envy of every gas utility in the

country and you are doing what critics said was impossible. In fact, this level of progress is unheard of in our industry. And you're doing it because you know it is the right thing to do.

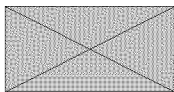
We can't fix what we don't know about

It's critical that we continue to speak up when we spot an issue that stands in the way of our ability to operate the safest, most reliable and affordable gas system in the country. I'm counting on you to raise potential concerns immediately through the [Corrective Action Program \(CAP\)](#). And I need to pause here to acknowledge the hard work our teams along the Central Coast area are putting in. For those who don't know, on Monday, a vacant home in Carmel was severely damaged due to an explosion following a natural gas leak. I am relieved to tell you that there were no injuries or fatalities. We are working diligently with local officials, the CPUC and a third party engineering firm to determine root cause. We'll keep you updated as we learn more. This incident was a close call and a vivid reminder that we must keep our focus on safety. Thank you to the team for entering this into CAP. This demonstrates that all issues big and small need to be addressed by our CAP team to ensure the ongoing safety of the public and our employees.

Setting goals for another great year

One of the topics we discussed at the Gas Ops Extended Leadership Team (ELT) meeting was our [2014 Line of Sight goals and strategic actions](#). Click on these links to view the [ELT Meeting presentation](#) and [2014 Line of Sight booklet](#). In the coming weeks, your supervisor will discuss this year's strategic objectives with you and explain how they guide your team's goals and your personal development goals. By working together, I know we'll make remarkable progress again this year. You are the reason we are on track to achieve gas safety excellence and steadily earning back the trust of our customers.

Thank you and stay safe,



Nick