

Date: February 16, 2007
To: Bill Morrow, Chief Operating Officer
From: Stewart Ramsay, Vice President, Asset Management and Electric Transmission (AMET)
Subject: Standard Document Update Initiative – Process Exemption Approval



***Pacific Gas and
Electric Company***

Bill:

I am recommending a short term exemption be authorized to UO Policy 4.1, "UO Standard Development," and UO Standard S0500, "Processes for Authorized Documents." The attached recommendations have been developed in support of the AMET Standards and Compatible Units (S&CU) department's 2007 initiative to comprehensively update approximately 2,000 standard documents that are used throughout the utility. The short-term exemption will streamline and expedite the approval process, while ensuring that all documents are thoroughly reviewed and properly authorized.

S&CU's initiative supports the Company's vision of being the number one utility in the nation by driving safety, ensuring compliance, improving productivity, and increasing cost efficiency through easy to understand, usable, and transferable standard documents. The objectives of the initiative include:

- Reducing the overall number of standard documents.
- Consolidating similar information into a single document where practical.
- Simplifying existing standards documents.
- Updating all out-dated standard documents.
- Maximizing the utilization and benefits of standardized material and design.
- Developing compatible units from standard documents.
- Separating active documents for new construction from reference documents for maintenance and operation.
- Implementing "work procedures" that provide the specific information required to perform a task.
- Ensuring that the various type of standard documents are used consistently.

The proposed exemption is necessary to facilitate revising and publishing such a large number of documents in 2007. We consider the risks associated with this exemption to be minimal and have put adequate controls in place to address any concerns. The knowledge gained through the 2007 initiative will be used to make changes to UO Policy 4.1 and UO Standard S0500 that will improve the standard development, approval, and implementation process.

Thank you for your consideration in this matter. Please use the attached document to indicate your approval.

Stewart Ramsay

S&CU Standard Document Review Initiative Exemptions

The following short-term exemptions to UO Policy 4.1 and UO Standard S0500 are approved for the S&CU department's 2007 Standard Document Update Initiative.

Document Approval Level and Delegation

Document Type	Current Approval Level	Exemption Approval Level
Policy	Executive Vice President and Chief of UO or Senior Vice President	Unchanged
Standard	Officer or Senior Director	New Standard = Unchanged Major Revision ² = Unchanged Minor Revision ³ = Director Administrative Update ⁴ = Manager
Guideline	Director	New Guideline = Unchanged Major Revision ² = Unchanged Minor Revision ³ = Manager Administrative Update ⁴ = Manager
Manual	Director or Manager	Unchanged
Numbered Document	Director or Manager ¹	Unchanged
Bulletin	Director or Manager ¹	Unchanged
Procedure	Manager or Designee ¹	Unchanged

¹ May be delegated.

² **Major revisions** include changes that involve new, modified, or deleted content, and the content affects safety, regulatory compliance, reliability, availability, or use.

³ **Minor revisions** include all other changes, except Administrative updates.

⁴ **Administrative updates** include changes to format, spelling, dates, references, code numbers, forms, organizations (department names, not changes in responsibility), job classifications (title changes, not changes in responsibility), document contact and owner information, extracting information and publishing as a work procedure, combining documents using a simple "cut and paste"

Standard Committee

Additionally, the following functions that are currently assigned to the UO Standard Committee (per UO Policy 4.1) will be performed by S&CU employees and/or document project leads:

- Ensure consistency and uniformity in standard development efforts.
- Recommend standard development policy and processes.
- Provide general guidance and support to standard developers.
- Assist with standard stakeholder identification.
- Provide general input in standard development and review efforts.

The Standard Committee will take on an advisory role in the standard development process.

Approved:

Bill Morrow
Chief Operating Officer
Date: