

# DCS STANDARD DEVELOPMENT

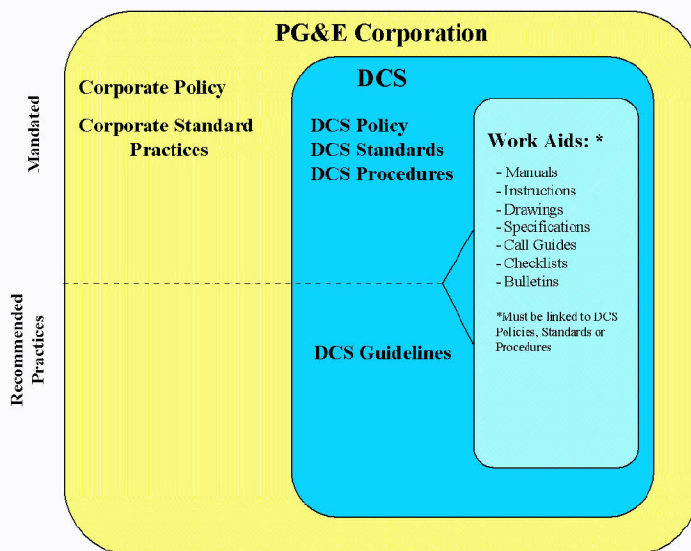
## Statement of Policy:

A Customer Energy Services (DCS) Standard clearly defines an operational or procedural requirement that must be implemented consistently across DCS Business Unit to ensure safety, comply with regulatory requirements, or conduct PG&E business uniformly and efficiently.

Failure to follow the requirements set forth in a DCS Standard could have serious consequences, such as endangering employees' lives or public safety, exposing PG&E to regulatory penalties, or reducing the company's ability to operate efficiently.

Although the content of each DCS Standard varies, the process by which these standards are developed shall not change.

The *DCS Policy Manual* and the *DCS Standards and Guidelines Manual*, together with PG&E's corporate policies and standard practices, form the backbone of CES's operating practices. The figure below illustrates the hierarchical nature of these various documents.



**Figure 1**  
**Hierarchy of DCS Operating Documents**

# DCS STANDARD DEVELOPMENT

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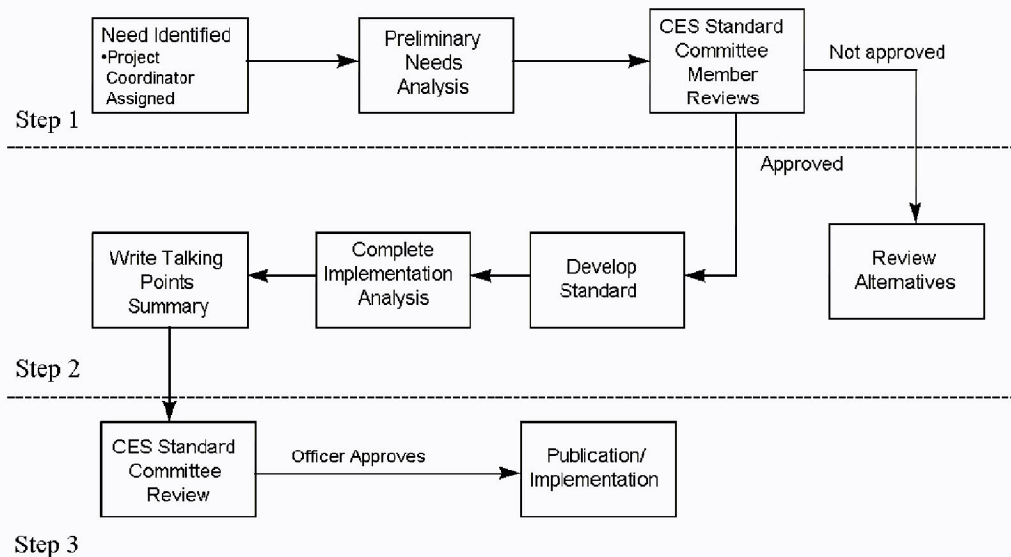
Because of the important role these documents play in setting forth the standards of company operations, the development process is rigorous and thorough. The process ensures that if a document is issued as a DCS Standard, it should be considered to be a key operating document whose procedures must be followed. It also assures that the seven key elements of an effective compliance program are included in standards, as appropriate.

Two significant aspects of the DCS Standard development process are:

First, any person who is developing a Standard is required to identify those departments, functions, and employees who are most likely to be affected by the Standard. The developer must consult with them and must secure their cooperation in developing the Standard. In addition, the impact of each proposed Standard must be assessed and weighed against the risk of not developing it.

Second, DCS Standard Committee Members are essential to developing these documents. For example, the Committee Members are responsible for reviewing proposed standards to determine that this is the most appropriate vehicle for communicating a requirement and to ensure adequate communication within DCS.

The figure below indicates the basic steps in the development process.



**Figure 2**  
**DCS Standard Development Process Flow**

## DCS STANDARD DEVELOPMENT

(CONTINUED)

### Overall Accountability:

The overall accountability of each person and organization that is involved in developing and implementing a DCS Standard is broken down into roles and responsibilities as follows:

Title/Organization	Role	Responsibilities
<b>DCS Senior Vice President &amp; General Manager</b>	To authorize this policy.	<ul style="list-style-type: none"> <li>• Authorizes this policy.</li> <li>• Ensures that it is issued, updated as required, and monitored for compliance.</li> </ul>
<b>DCS Officer</b>	To authorize DCS Standards.	<ul style="list-style-type: none"> <li>• Sponsors standards and supports the development process.</li> <li>• Approves new and revised Standards.</li> <li>• Appoints a member to the DCS Standard Committee.</li> </ul>
<b>Project Coordinator (Standard Developer)</b>	To write and coordinate development of the DCS Standard and to communicate with all participating individuals throughout the entire development process. The Project Coordinator should expect to devote a significant amount of time to developing a technically accurate and operationally feasible DCS Standard that complements existing practices and procedures.	<ul style="list-style-type: none"> <li>• Develops and completes the Preliminary Needs Analysis.</li> <li>• Develops and writes the DCS Standard.</li> <li>• Completes the Implementation Analysis.</li> <li>• Coordinates and secures all necessary approvals.</li> <li>• Completes the Talking Points and Checklist Summaries.</li> </ul>
<b>DCS Standard Committee Member</b>	<p>To ensure that a Standard is the proper communication tool, that adequate resources are allocated to the development process, and that all impacted groups are given the opportunity to participate.</p> <p>To ensure that the developers comply with the requirements of the process .</p> <p>To ensure that adequate communication occurs throughout the functional areas prior to implementation.</p> <p>To represent the functional department as delegated by the responsible DCS Officer.</p>	<ul style="list-style-type: none"> <li>• Reviews and approves the Preliminary Needs Analysis.</li> <li>• Initiates communication and builds awareness of the DCS Standard across functional and department lines as needed.</li> <li>• Ensures that all appropriate subject-matter experts are involved in developing the Standard.</li> <li>• Ensures that the DCS Standard is thorough and complete.</li> <li>• Sponsors the DCS Standard at Standard Committee meetings</li> <li>• Ensures that business needs are being met.</li> <li>• Serves as the final arbiter on adopting any standard.</li> </ul>

**DCS STANDARD DEVELOPMENT  
(CONTINUED)**

<b>Title/Organization</b>	<b>Role</b>	<b>Responsibilities</b>
<b>Clearinghouse / IT&amp;RM</b>	To serve as a central source of information for developing DCS Standards and as a repository for completed Standards.	<ul style="list-style-type: none"> <li>• Provides assistance during standard development.</li> <li>• Ensures the DCS Standards meet publication requirements.</li> <li>• Produces, distributes and archives DCS Standards.</li> <li>• Provides training in and materials for the development process.</li> <li>• Follows up and tracks review dates and communicates with issuing departments.</li> </ul>
<b>Operational Compliance Department</b>	To review processes for effectiveness and compliance with DCS commitments and to provide assistance in developing systems to monitor the effectiveness of these processes.	<ul style="list-style-type: none"> <li>• Reviews the Compliance section to ensure it contains adequate measurements for assessing the effectiveness of the Standard.</li> <li>• Reviews the Standard against the OCD Checklist to insure that compliance is adequately addressed.</li> <li>• Assists the Clearinghouse in providing training in the development process.</li> <li>• Assists the Senior Vice President by monitoring compliance with this policy.</li> </ul>
<b>Stakeholders and Subject Matter Experts</b>	To implement all of the provisions of the DCS Standard. To determine if the proposed Standard is operationally feasible. (Experts may come from any area of PG&E not only DCS.) Third party reviewers such as safety or engineering experts can also review the Standard.	<ul style="list-style-type: none"> <li>• Reviews the DCS Standard for functional and operational feasibility, and technical accuracy.</li> </ul>

**Development Process Details and Training:**

As a central source of information, the IT&RM Clearinghouse maintains the development process details and develops the training materials for those involved in developing standards. These details include the minimum requirements and any associated templates for the Standard, Needs Analysis, Implementation Analysis, and Talking Points Summary. These and other administrative details are handled with the concurrence of the DCS Standard Committee. Those involved in developing DCS Standards are to contact the IT&RM Clearinghouse for information and training.

**DCS Policy 4.1**

**4.1-4**

**DCS STANDARD DEVELOPMENT  
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**Authorization for Issue/Update:**

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Senior Vice President and General Manager, DCS

Issued/Updated: **July 1, 1997**

**DCS Policy 4.1**

**4.1-5**