

Attachment 5

Gas Distribution Pipeline Safety Reporting

Pacific Gas and Electric Company (PG&E) shall submit semi-annual Gas Distribution Pipeline Safety Reports to the Directors of the Commission's Consumer Protection and Safety Division and Energy Division. Reports shall also be provided to the Division of Ratepayer Advocates and The Utility Reform Network (TURN), if TURN so requests. Reports shall cover activity over the first six months of the calendar year and the second six months of the calendar year and continue until further notice of the Commission. Reports shall be submitted no later than three months after the end of each six-month period.

At minimum the report shall include the following:

Decision-making process

1) A thorough description and explanation of the strategic planning and decision-making approach used to determine and rank which capital projects, operation and maintenance (O&M) activities, and inspections are undertaken for gas distribution pipeline safety, integrity and reliability are to be undertaken.

Budgeting, spending and project reprioritization

2) Amount of funds allocated in the Settlement Agreement to each Major Work Category (MWC) related to gas distribution pipeline safety, integrity and reliability for capital expenditures and for O&M expenses. To the extent they are specified in the Settlement Agreement, amounts of funds expected to be incurred for each capital project used as the basis for the settled capital expenditures. If capital projects are not specified in the Settlement Agreement, show the capital projects proposed by PG&E in its Application (A.) 09-12-020.

3) Amount budgeted for each MWC at the beginning of each calendar year.

4) Amount spent during the reporting period, year-to-date, and annual totals by MWC and for each capital project within each MWC.

- 5) Amount spent during the reporting period, year-to-date, and annual totals on O&M for safety, integrity and reliability.
- 6) Comparison of amounts spent on capital projects and O&M to Settlement Agreement allocation, showing remaining balance or amounts spent in excess of allocation.
- 7) Identify and describe capital projects and O&M work that has been started and completed during reporting period including completion date and report on the status of work-in-progress.
- 8) Total cost of each completed capital project.
- 9) Reported actual costs should be directly comparable to amounts approved in the Settlement Agreement. Identify whether any reported amounts include administrative and general expenses, indirect and/or overhead costs and, if so, show these amounts.
- 10) Identify whether capital projects forecasted in A.09-12-020 have been started, completed, remain to be undertaken (include anticipated start and completion date) or have been reprioritized. If reprioritized, provide the reasons for the reprioritization and the justification for the new project(s). Describe the new capital project(s) including estimated start and completion date. Discuss whether funding will be requested in a future rate case application for forecasted capital projects that were reprioritized and identify these projects.
- 11) At the beginning of each calendar year, describe the capital projects planned to be undertaken for the year.
- 12) To the extent PG&E does not fully spend the amounts for capital projects or O&M related to pipeline safety, integrity management, and reliability specified in the Settlement Agreement, explain the reasons for doing so.

Project descriptions and status

- 13) Discuss status and progress of capital projects previously started and not completed. Identify and explain any discrepancies found with pipeline records. Report if no records exist.

14) Explain if a capital project is undertaken in response to a federal and/or Commission regulatory requirement or advisory and/or National Transportation Safety Board recommendation. Identify if project was/is on Risk Management Top 100 list or was/is in a "high-consequence area."

15) Include most recent Risk Management Top 100 report if it includes gas distribution pipelines; identify changes from the prior report and explain why the changes were made.

16) Include most recent distribution pipeline inspection plan showing inspection methods to be used for specific pipeline segments and progress to plan. Note and explain any changes to the prior plan. Report on inspection results, identify and describe any discrepancies found with pipeline records. Report if no records exist.

17) Project descriptions shall include the following:

- a) Project name
- b) Work description: Provide details of work to be undertaken.
- c) Purpose: Explain why the work is necessary.
- d) Timeframe: Start to completion, including significant milestones.
- e) Pipeline number
- f) Mileposts
- g) Geographical coordinates and location (city, place name, county)
- h) Pipeline map
- i) Class location
- j) Identify if pipeline is in a high consequence area
- k) Vintage of each pipeline segment and year installed
- l) Manufacturer of the pipe
- m) Whether the pipe is seamless or non-seamless
- n) Maximum allowable operating pressure of the pipeline
- o) Operating pressure

- p) Pipeline dimensions (diameter, thickness, length) of each segment
- q) Areas and communities the pipeline is providing service to
- r) Explain how work on pipeline will affect service
- s) Explain how work on pipeline might affect (such as operating pressure) the operation of other distribution pipelines and facilities connected to the project.
- t) For exposed pipelines: Examine for external defects and report results.
- u) For removed pipelines: Examine for external and internal defects and report results.

The Gas Distribution Pipeline Safety Report does not replace any existing PG&E reporting requirements, such as the Gas Pipeline Replacement Program annual reports ordered in D.86-12-095.

For capital projects proposed or forecasted in the test year 2011 general rate case (GRC), PG&E shall report on capital projects at the level set forth in the workpapers for PG&E's GRC Gas Capital testimony. For more generally referenced capital projects, PG&E shall provide information for every project with total forecasted spending in excess of \$250,000 and with actual expenditures in the year of over \$10,000, within each gas capital MWC. These thresholds are consistent with PG&E's annual Gas Pipeline Replacement Program reports.

Where requested information is not directly applicable to PG&E's gas distribution system, PG&E shall, when possible, provide data relevant to the area of inquiry.

Substantive changes to any of the requirements in this attachment may be implemented only after approval of the Consumer Protection and Safety Division and Energy Division.

(END OF ATTACHMENT 5)