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May 13, 2011

Mr. Eric Chiang
California Public Utilities Commission
505 Van Ness Ave, 4th Floor
San Francisco, CA 94610

Subject: Central Valley Natural Gas Storage Project – Request for Issuance of a Notice to Proceed (NTP #6a) for Connection to Pacific Gas & Electric’s Gas Line 172 at the Remote Well Pad Site

Dear Eric:

Central Valley Gas Storage, LLC (CVGS) is requesting the CPUC’s issuance of a notice to proceed (NTP #6a) for the installation of a temporary gas interconnect to Pacific Gas & Electric’s (PG&E’s) existing Line 172 along McAusland Road. The majority of the Line 172 interconnection pipeline would be located inside the remote well pad site (see attached drawing). Currently, crews are scheduled to receive environmental awareness and safety training on Monday (May 16, 2011). The work associated with this NTP is scheduled to start during the week of May 16, 2011.

As described in the PEA, the remote well pad requires a temporary interconnect to PG&E’s Line 172 to support the injection of gas into the storage field. The station will meter gas from Line 172 and provide overpressure protection to Line 172 in the event gas backflows. PG&E will be responsible for the supply and installation of the facilities required to tie into Line 172. PG&E will install an 8-inch line to the multipurpose control valve located at the inlet side of the custody transfer meter run inside the remote well pad facility. The facilities will include the tie-in at Line 172, a manual block valve at the tie-in to Line 172, installation of an 8-inch line across McAusland Road to the multipurpose control valve, the multipurpose control valve, and SCADA and communication equipment.

CVGS has provided all the applicable permits, plans, and supporting documentation as part of the Mitigation Monitoring Compliance and Reporting Plan submittals and NTP #1 (which included construction of the remote well pad) to the CPUC and additional items to support this NTP #6a request. As you are aware, biological surveys are being conducted daily by the biological monitor in this work area and to-date, no special-status species (including giant

garter snake or nesting Swainson's hawks) have been observed. The biological monitor will continue to survey and monitor all work in the Line 172 work area.

Please let me know if you have any questions.

Regards.

A handwritten signature in black ink that reads "Jim Kiefer". The signature is written in a cursive, flowing style.

Jim Kiefer
Director Project Development
Central Valley Gas Storage

CC:
David Hochart/Scott Eckardt, Dudek
Homer Savage, Fluor
Sue Bushnell Bergfalk, ICF International