



Central Valley Gas Storage LLC
3333 Warrenville Road
Suite 300
Lisle, IL 60532

Phone 630 245-6150
Fax 630 245-7835
Internet www.CVGasStorage.com

July 11, 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 Proceeds (NTPs #4, #9b, #11, and #13a) to Install the Natural Gas Pipeline System and Metering Station

Dear Eric:

Central Valley Gas Storage, LLC (CVGS) is requesting the CPUC's issuance of a combined notice to proceed (NTPs #4, 9b, 11, and 13a) to install the 24-inch gas pipeline, 16-inch dual gas gathering line, Line 401 interconnection (between the meter station and PG&E Line 401), and the metering station. CVGS will be submitting a separate NTP 13b to cover the electrical work on the meter station site, including installation of electrical poles to connect to an existing PG&E above-ground electrical line on the north side of Dirks Road.

The work area associated with this NTP request occurs between the compressor station and PG&E's Line 401 (west of the meter station) and is shown on the biological survey map set that was provided to you as part of the NTP #10a request for pipeline right of way preparation. This combined NTP request covers the following specific components:

- Construction of 16-inch dual gathering lines and 24-inch pipe segment between compressor station and remote well pad site (NTP #4).
- Conducting horizontal directional drilling (HDD) for 24-inch pipeline (NTP #9b).
- Construction of the 24-inch pipeline between the remote well pad and metering station (NTP #11).
- Construction of the metering station (including the associated controls and pigging facilities), interconnection pipeline, and hot-tap to PG&E's Line 401 (NTP #13a).
- Use of on-site and off-site staging areas (including the previously approved 10-acre staging area adjacent to the meter station and proposed off-site industrial staging area in Colusa).

CVGS submitted several items as part of the pipeline right of way preparation NTP request (NTP 10b) on June 28, 2011. To support construction of the natural gas pipeline system and metering station, we are

providing a copy of the geotechnical report that was prepared to support compliance with APMs GEO-1, GEO-2, and GEO-5.

In compliance with Mitigation Measure AG-2, CVGS' ROW agent (PPC Land) has been and will continue to coordinate with all landowners along the pipeline alignment. This coordination effort includes sending letters to landowners, calling and discussing access issues with landowners, and documenting concerns.

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:

Tim Hermann/Nicor Enerchange
David Hochart/Scott Eckardt, Dudek
Homer Savage, Fluor
Sue Bushnell Bergfalk, ICF International