

APPENDIX A
COMMUNITY OUTREACH
MATERIALS

DAY • CARTER • MURPHY • LLP

Ann L. Trowbridge
atrowbridge@daycartermurphy.com

January 30, 2009

Eric Chiang
Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

RE: A.08-07-032/A.08-07-033: Gill Ranch Gas Storage Project

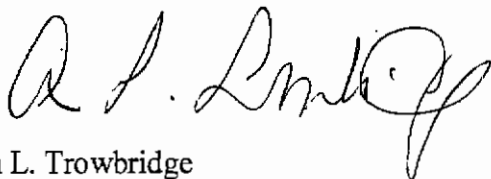
Dear Mr. Chiang:

The Fresno County Farm Bureau and the Madera County Farm Bureau sent the attached letters to Commissioner Simon in December 2008. They recently provided Gill Ranch Storage, LLC (GRS) with copies. GRS, in turn, is forwarding copies to Energy Division for inclusion in the record being developed in connection with review of the Gill Ranch Gas Storage Project under the California Environmental Quality Act.

Please let me know if you have any questions regarding this transmittal.

Very truly yours,

DAY CARTER & MURPHY, LLP



Ann L. Trowbridge
Counsel for Gill Ranch Storage, LLC

/alt
Enclosures

cc: Charles E. Stinson, Gill Ranch Storage, LLC
Judi K. Mosley, Pacific Gas and Electric Company



December 4, 2008

Commissioner Timothy A. Simon
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

RE: A.08-07-032, Application of Gill Ranch Storage, LLC for a Certificate of Public Convenience and Necessity for Construction and Operation of Natural Gas Storage Facilities, and A.08-07-033, Application of Pacific Gas and Electric Company for a Certificate of Public Convenience and Necessity

Dear Mr. Simon:

On behalf of the Fresno County Farm Bureau (FCFB), I would like to express our support for the proposed Gill Ranch Natural Gas Storage Project (Project). This Project is a needed investment to our State and Valley's energy infrastructure.

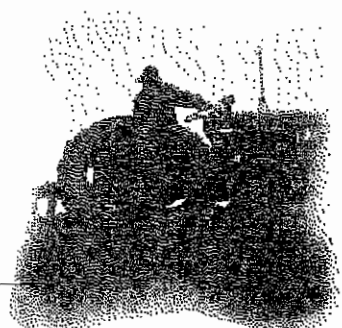
The Project aims to increase the reliability and cost effectiveness of the natural gas supply for California and the Valley. As the leading industry in the Central Valley, agriculture relies extensively on a timely and affordable natural gas supply, thus will likely benefit from this Project.

Project representatives have worked proactively with affected landowners in minimizing and mitigating any impacts foreseen to agricultural production in the construction and operation phases of the Project. We look forward to continuing these relationships throughout further implementation of the Project.

Thank you for allowing FCFB to comment on this important endeavor.

Sincerely,

Ryan Jacobsen
Executive Director



December 2, 2008

Commissioner Timothy A. Simon
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: A.08-07-032, Application of Gill Ranch Storage, LLC for a Certificate of Public Convenience and Necessity for Construction and Operation of Natural Gas Storage Facilities, and A.08-07-033, Application of Pacific Gas and Electric Company for a Certificate of Public Convenience and Necessity

Commissioner Simon:

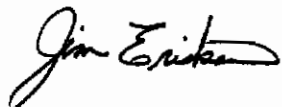
The Madera County Farm Bureau (MCFB) supports the proposed Gill Ranch Natural Gas Storage Project. California's Central Valley is experiencing various hardships as a result of the current economic downturn. Thus, MCFB welcomes a project that will contribute to the local economy through the creation of jobs and revenues, in a manner that is wholly compatible with the local agricultural operations that are so important to the state and the country.

MCFB has reviewed the draft Agricultural Mitigation Plan that was included in the Proponent's Environmental Assessment for the project. Our review indicates that Gill Ranch Storage, LLC (GRS) and Pacific Gas and Electric Company have designed the project and proposed construction methods to avoid or minimize agricultural impacts. Additionally, the Agricultural Mitigation Plan provides a clear path for mitigating any impacts that may occur as a result of the project. MCFB appreciates that GRS has been communicating with agricultural operations in the project area and can report that MCFB and its members look forward to working with GRS to ensure that the project is implemented consistent with the Agricultural Mitigation Plan.

MCFB urges the Commission to approve the Gill Ranch Storage Project, thereby allowing the region to realize its economic and employment benefits, while simultaneously enhancing the reliability and cost effectiveness of natural gas supply for California's gas customers.

Please do not hesitate to contact me at (559) 674-8871 if you would like additional information.

Sincerely,



Jim Erickson
Board President
Madera County Farm Bureau

Gill Ranch Gas Storage Project

Supplement to PEA Application: Responses to Completeness Comments



Submitted to:

California Public Utilities Commission

Prepared by:



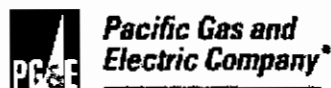
ENTRIX, Inc.

For:



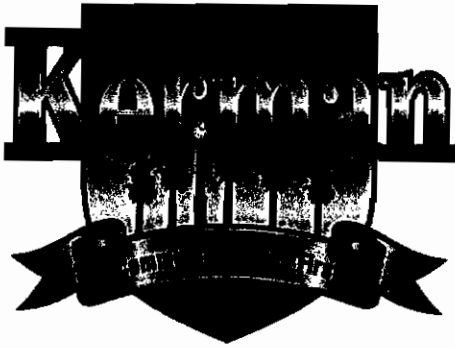
Gill Ranch Storage, LLC

and:



Pacific Gas and Electric Company

September 18, 2008



City of Kerman

"Community Comes First"

RON MANFREDI, CITY MANAGER
850 S. Madera Ave.
Kerman, CA 93630-1741
rmanfredi@cityofkerman.org
Telephone: 559-846-9387
FAX: 559-846-6199

September 3, 2008

Charles E. Stinson, P.E.
Director, Project Development
Gill Ranch Storage, LLC
220 NW Second Ave.
Portland, OR 97209

**Re: Gill Ranch Gas Storage Project
CPUC Application No. A.08-07-032**

Dear Mr. Stinson:

The City of Kerman has followed the progress of the proposed Gill Ranch Gas Storage Project with great interest. In difficult economic times, we are pleased to see such necessary energy related projects that will also benefit our community and surrounding communities through increased jobs, local spending, and property tax revenues.

Gill Ranch Storage, LLC asked whether the City of Kerman could accommodate a portion of the approximately 350 workers who will be involved in Project construction during the peak construction period, assuming 40% of the construction workers already reside in the project area. The answer is definitely, yes. The City of Kerman could accommodate a substantial portion of Project construction workers, during periods of peak construction as well as non-peak construction.

According to January 1, 2007 California Department of Finance information, the City of Kerman has approximately 3,830 housing units. The vacancy rate was approximately 2.95%; meaning approximately 110 housing units were available in 2007. Additionally, the 80-unit Pebble Brooke apartment complex has opened since this date.

Also according to California Department of Finance information, the population of the City of Kerman was approximately 13,878 in January 2008 and is expected to exceed 14,000 in January 2009. As noted above, there are over 100 housing units available. There are also sufficient public services available to support these housing units. Kerman is the home to four banks. We have several doctors' offices and two rural health clinics. We have also recently approved 75,000 sq. ft of new retail and office space with the Kerman Neighborhood Shopping Center Project at the intersection of Whitesbridge (SR 180) and Madera Ave (SR 145). A 58-unit La Quinta motel/hotel has also been approved and hopefully will be under

constructing within the next 9 to 12 months. The City of Kerman could also readily accommodate some or all the permanent project workers and their families. The City of Kerman provides a wide range in style and pricing of housing units and apartment rentals. Additionally, a large number of housing units have been approved for construction and await an upswing in the market for construction to begin. Kerman Unified School District hopes to begin construction on a new elementary school in 2009.

Gill Ranch Storage, LLC also asked whether the City of Kerman could accommodate anticipated traffic levels during the approximately one-year, plus construction period without significant adverse effects on existing traffic levels. Assuming the workers will come from various locations in the Project area, and assuming that not all the workers will commute during peak traffic hours, we do not presently believe that the Project will result in adverse traffic impacts in the City of Kerman.

Again, the City of Kerman appreciates that Gill Ranch Storage, LLC is pursuing development of the Project near our community, and we look forward to working with Gill Ranch as a contributing community member.

Sincerely,

Ron Manfredi
City Manager

C: City Council, L. Patlan

Gill Ranch Gas Storage Project

Second Supplement to PEA Application: Responses to Completeness Comments



Submitted to:

California Public Utilities Commission

Prepared by:



ENTRIX, Inc.

For:



Gill Ranch Storage, LLC

and:



Pacific Gas and Electric Company

October 16, 2008



CITY OF MENDOTA

"Cantaloupe Center Of The World"

October 9, 2008

Charles E. Stinson, P.E.
Director, Project Development
Gill Ranch Storage, LLC
220 NW Second Ave.
Portland, OR 97209

Re: Gill Ranch Gas Storage Project
CPUC Application No. A.08-07-032

Dear Mr. Stinson:

The City of Mendota is following the development of the proposed Gill Ranch Gas Storage Project with great interest. In difficult economic times, we are pleased to see proposals that will benefit our community and surrounding communities through increased jobs, local spending, and property tax revenues.

Gill Ranch Storage, LLC asked whether the City of Mendota could accommodate a portion of the approximately 350 workers who will be involved in Project construction during the peak construction period, assuming 40% of the construction workers already reside in the project area. The answer is yes. The City of Mendota could accommodate a substantial portion of Project construction workers, during periods of peak construction as well as non-peak construction.

According to January 1, 2007 California Department of Finance information, the City of Mendota has approximately 2,139 housing units. (See <http://www.fresnocog.org/document.php?pid=261>.) The vacancy rate was approximately 2.74%, meaning approximately 58 housing units were available in 2007. Additionally, there are designated mobile home areas in the City where temporary workers could locate mobile housing during construction.


Also according California Department of Finance information, the population of the City of Mendota was approximately 9,426 in 2007. As noted above, there are over 55 housing units available. There are sufficient public services available to support those housing units. Thus, the City of Mendota could also readily accommodate some or all the permanent project workers and their families, even assuming none of the anticipated 10 permanent employees presently live in the Project area.

In the past four years, the City has realized an increase in multi-family housing units. Four 81-unit apartment complexes have been constructed to provide housing to our low-to-moderate residents. Additionally, a 422-unit subdivision consisting of five phases is currently under construction. To date, approximately 140 units or two phases have been constructed with three future phases still pending, dependent on the housing market.

Gill Ranch Storage, LLC also asked whether the City of Mendota could accommodate anticipated traffic levels during the approximately one-year construction period without significant adverse effects on existing traffic levels. Assuming the workers will come from various locations in the Project area, and assuming that not all the workers will commute during peak traffic hours, we do not presently believe that the Project will result in adverse traffic impacts in the City of Mendota.

Again, the City of Mendota appreciates that Gill Ranch Storage, LLC is pursuing development of the Project near our community, and we look forward to working with Gill Ranch as a community member.

Sincerely,
CITY OF MENDOTA


Gabriel A. Gonzalez
City Manager

CITY OF FIREBAUGH



FRESNO COUNTY, CALIFORNIA

1575 ELEVENTH STREET
FIREBAUGH, CALIFORNIA 93622-2547
(559) 659-2043
FAX (559) 659-3412

C.E. Stinson
SEP - 5 2008

September 3, 2008

Charles E. Stinson, P.E.
Director, Project Development
Gill Ranch Storage, LLC
220 NW Second Ave.
Portland, OR 97209

Re: Gill Ranch Gas Storage Project
CPUC Application No. A.08-07-032

Dear Mr. Stinson:

The City of Firebaugh is following the development of the proposed Gill Ranch Gas Storage Project with great interest. In difficult economic times, we are pleased to see proposals that will benefit our community and surrounding communities through increased jobs, local spending, and property tax revenues.

Gill Ranch Storage, LLC asked whether the City of Firebaugh could accommodate a portion of the approximately 350 workers who will be involved in Project construction during the peak construction period, assuming 40% of the construction workers already reside in the project area. The answer is yes. The City of Firebaugh could accommodate a substantial portion of Project construction workers, during periods of peak construction as well as non-peak construction.

According to January 1, 2007 California Department of Finance information, the City of Firebaugh has approximately 1,803 housing units. (See <http://www.fresnocog.org/document.php?pid=253>.) The vacancy rate was approximately 10.32%, meaning approximately 185 housing units were available in 2007. Additionally, there are designated mobile home areas in the City where temporary workers could locate mobile housing during construction.

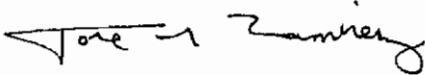
Also according to California Department of Finance information, the population of the City of Firebaugh was approximately 6,692 in 2007. As noted above, there are over 180 housing units available. There are sufficient public services available to support those housing units. Thus, the City of Firebaugh could also readily accommodate some or all

the permanent project workers and their families, even assuming none of the anticipated 10 permanent employees presently live in the Project area.

Gill Ranch Storage, LLC also asked whether the City of Firebaugh could accommodate anticipated traffic levels during the approximately one-year construction period without significant adverse effects on existing traffic levels. Assuming the workers will come from various locations in the Project area, and assuming that not all the workers will commute during peak traffic hours, we do not presently believe that the Project will result in adverse traffic impacts in the City of Firebaugh.

Again, the City of Firebaugh appreciates that Gill Ranch Storage, LLC is pursuing development of the Project near our community, and we look forward to working with Gill Ranch as a community member.

Sincerely,

A handwritten signature in black ink, appearing to read "Jose Antonio Ramirez". The signature is written in a cursive style with a long horizontal stroke at the beginning.

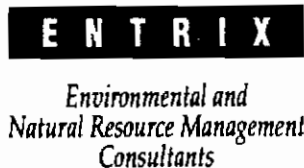
Jose Antonio Ramirez
City Manager

Gill Ranch Gas Storage Project Responses to PEA Data Needs Comments



Submitted to:

**California Public Utilities
Commission**



Prepared by:

ENTRIX, Inc.



For:

Gill Ranch Storage, LLC



and:

Pacific Gas and Electric Company

November 2008



M. Scott Mansholt
Sr. Environmental
Project Management
Specialist

**Chevron Environmental
Management Company**
6001 Bollinger Canyon Rd,
Rm K2066
San Ramon, CA 94583-2324
Tel (925) 842-1804
Fax (925) 842-0213
smansholt@chevron.com

November 14, 2008

Gill Ranch Gas Storage Pipeline Project (PG&E)
Stakeholder Correspondence-County of Fresno

Mr. Charlie Stinson
Director, Project Development
Gill Ranch Storage, LLC
220 Northwest 2nd Avenue
Portland, Oregon 97209

**Subject: Fresno County – Gill Ranch Gas Storage Pipeline Project (PG&E)
Chevron Environmental Management Company
Historic Pipeline Portfolio-Bakersfield to Richmond**

Dear Charlie,

Chevron Environmental Management Company (CEMC) has recently reviewed Pacific Gas and Electric (PG&E) Application Number A.08-07-033 associated with the project named Gill Ranch Gas Storage Pipeline Project which transects Madera and Fresno Counties. We understand the project scope includes the installation of a 30-inch diameter gas transmission pipeline that will extend approximately 27 miles across Fresno County. The purpose of this letter is to notify project stakeholders regarding the location of historic crude-oil transportation pipeline alignments owned by Chevron that are intersected by third-party projects. The subject project will intersect two historic Chevron pipeline alignments at three separate locations (see attached Figure 1).

In the early 1900s, Chevron's predecessors built the Old Valley Pipeline (OVP) and Tidewater Associated (TAOC) Pipeline to transport heavy crude oil and Bunker C fuel oils from the oilfields in Kern County to the Richmond refinery. The pipelines were operated until the early 1970s when they were emptied, cleaned and decommissioned. The pipelines are no longer active, with many pipeline segments already removed (which exact segments have been removed are unknown at this time).

Based on CEMC's experience, evidence of historic releases associated with the OVP and TAOC is sometimes identified during the course of underground utility work and other subsurface construction activities near the pipelines' right-of-way (ROW). Generally, residual weathered crude oil associated with Chevron's historical pipeline operations can be observed visually; however, analytical testing is necessary to confirm that the likely source of the affected material is associated with either the OVP or TAOC. Government agencies agreed with the testing and analytical results from human health risk assessments performed at several known historical pipeline release sites, which confirm that any soil affected by the historic release of product from these pipelines is non-hazardous and does not pose

Mr. Charlie Stinson – Director, Project Development

November 14, 2008

Page 2

significant health risks. It has also been established that residual subsurface oil in soil is relatively immobile due to its heavy and weathered nature.

Please continue to provide CEMC with updates and any future ongoing developments regarding this project. CEMC also requests that this letter be forwarded to any additional stakeholders associated with the subject project.

In the event that petroleum-affected soil is encountered during project construction activities, CEMC requests to be contacted immediately and to be provided with a reasonable opportunity to collect samples of the affected soil to perform an evaluation of the nature of the material. If CEMC agrees that the identified material is associated with Chevron's historical pipeline operations and no other potential responsible parties are in question, CEMC will arrange for proper handling and disposal of such affected soil. CEMC will also coordinate with its subcontractors and appropriate parties to minimize potential construction delays associated with petroleum-affected soil encountered during project construction activities.

For more information regarding the Historical Pipeline Portfolio–Bakersfield to Richmond alignment, please visit <http://www.hppinfo.com/>. If you have any questions or require additional information, please call Tom Burns (SAIC Consultant) at (916) 979-3748.

Sincerely,



M. Scott Mansholt

KLK/lph

Enclosure: Figure 1

cc: Mr. Tom Burns–SAIC
Mr. Mike Jenkins–SAIC (letter only)



GILL RANCH STORAGE

JANUARY 2009 NEWSLETTER

NATURAL GAS STORAGE PROJECT



GRS | GILL RANCH STORAGE

220 NW Second Ave.
Portland, OR 97209-3991

gillranchstorage.com

RETURN SERVICE REQUESTED

GRS | GILL RANCH STORAGE

JANUARY 2009 NEWSLETTER

ABOUT THE GILL RANCH STORAGE PROJECT

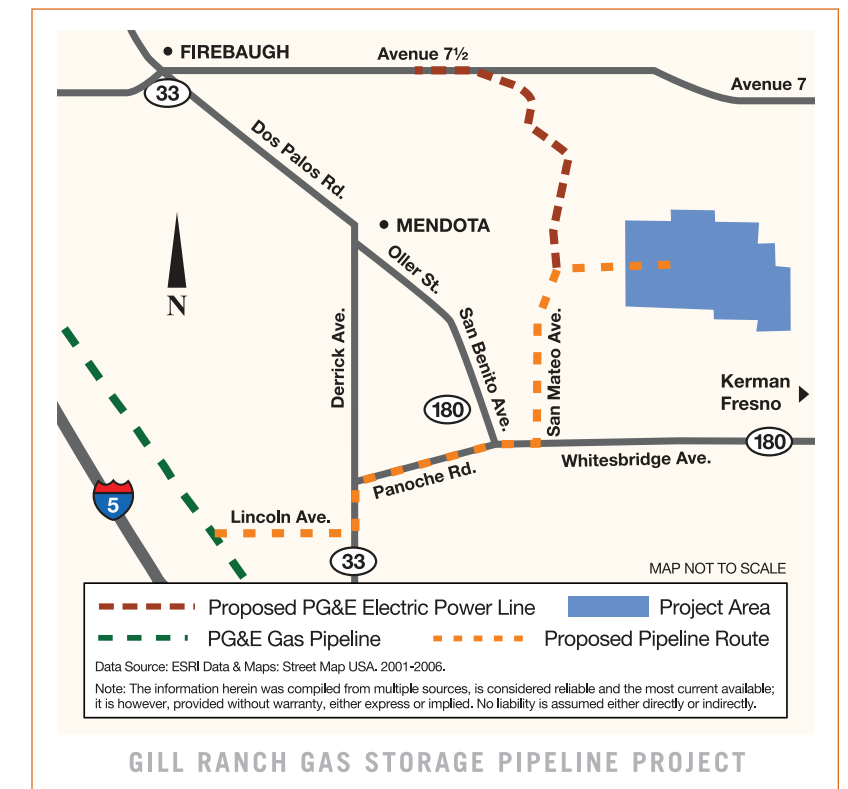
The Gill Ranch Storage Project (Project) is a 20 Bcf underground natural gas storage facility at the Gill Ranch Gas Field, located primarily in Madera County, approximately 20 miles west of Fresno. An approximately 27-mile gas pipeline will be used to transport gas to and from the Project storage reservoirs. The pipeline will extend from the storage reservoirs through Madera and Fresno counties to an interconnection with PG&E's transmission system (Line 401) at West Lincoln Avenue, near Interstate 5.

The Project will be developed by Gill Ranch Storage, LLC (GRS) and Pacific Gas and Electric Company (PG&E). GRS and PG&E will each own undivided interests in the Project. GRS will own a 75 percent undivided interest in the Project and PG&E will own a 25 percent undivided interest. GRS will serve as the initial operator of the Project. GRS and PG&E will each separately market its own share of storage capacity in the Project. In other words, GRS and PG&E will be competitors with respect to Project storage services.

GRS is a wholly owned subsidiary of NW Natural, which has provided gas service to the Pacific Northwest since 1859. NW Natural, based in Portland, Oregon, provides reliable, cost-effective natural gas service to more than 650,000 residential, commercial, and industrial customers through 15,000 miles of mains and service lines in western Oregon and southwestern Washington. Since 1989, the company has operated its Mist underground storage field to serve its utility customers and the regional interstate storage market, overseen by the Federal Energy Regulatory Commission.

PG&E has been operating storage fields in California since 1958, when it established the McDonald Island storage facility. It now operates two other facilities at Pleasant Creek and Los Medanos.

Both NW Natural and PG&E have long track records of safely and efficiently operating natural gas storage facilities.



CALIFORNIA PUBLIC UTILITIES COMMISSION DETERMINES PROJECT APPLICATIONS COMPLETE

In July 2008, GRS and PG&E each filed an application for a Certificate of Public Convenience and Necessity (CPCN) authorizing the construction and operation of the Project with the California Public Utilities Commission (CPUC). The GRS application included a Proponent's Environmental Assessment (PEA) for the entire Project. The CPUC has consolidated the processing of the two applications. In November 2008, the CPUC deemed the applications, including the PEA, complete.

The CPUC will proceed with its review of the Project, and the CPUC's Energy Division will simultaneously proceed with review of the environmental aspects of the Project under the California Environmental Quality Act. The Commission's Energy Division is preparing a mitigated Negative Declaration and will identify what mitigation measures are needed to ensure that the project does not result in significant adverse environmental impacts.

After the CPCN applications, including the PEA, were filed with the CPUC, a property owner provided information indicating that some property in the area of the proposed pipeline route, along Highway 180 east of San Mateo Road, has been proposed for inclusion in a conservation bank. In order to avoid this potential conflict, GRS and PG&E provided the CPUC with additional information regarding another route described in the PEA – Alternate Pipeline Route A.

Alternate Pipeline Route A is the same as the proposed pipeline route from mileposts 0.0 to 19.5 (the intersection of State Route 180 and San Mateo Avenue). It is likely that the CPUC will identify Alternate Pipeline Route A as the proposed Project pipeline route because it avoids the potential conflict with the proposed conservation bank and other environmental impacts. Thus, GRS and PG&E expect to move forward with Alternate Pipeline Route A.

The CPUC has set a Prehearing Conference for 10:00 a.m. on February 3, 2009 at the California Public Utilities Commission Courtroom, State Office Building, 505 Van Ness Ave. in San Francisco. At the Prehearing Conference, the Administrative Law Judge will establish a procedural schedule for the non-environmental issues in the case. The Commission's Energy Division will administer the environmental review on a parallel track. After the Prehearing Conference, the CPUC will issue a Scoping Memo establishing the scope of the proceeding and a schedule.

A public participation hearing and a hearing regarding the draft Mitigated Negative Declaration (to be issued later) will be held near the Project location at a later date. Owners of property in the area near the proposed Project and other interested parties will be notified separately of any public hearings related to the Project.

SUPPORT FOR THE GILL RANCH STORAGE PROJECT

Several local cities and two farm bureaus have written letters endorsing the Gill Ranch Storage Project and requesting that the California Public Utilities Commission approve the Project.

The cities of Firebaugh, Kerman and Mendota, along with the Fresno and Madera county farm bureaus, welcome the Project's economic benefits in providing additional energy infrastructure and jobs. The farm bureaus also recognize the efforts of GRS and PG&E to work with affected landowners to minimize and mitigate any potential agricultural impacts. "Thus, the MCFB (Madera County Farm Bureau) welcomes a project that will contribute to the local economy through the creation of jobs and revenues, in a manner that is wholly compatible with the local agricultural operations that are so important to the state and the country," wrote Jim Erickson, MCFB Board President.



Jim Erickson, Board President of MCFB

HOW UNDERGROUND NATURAL GAS STORAGE WORKS

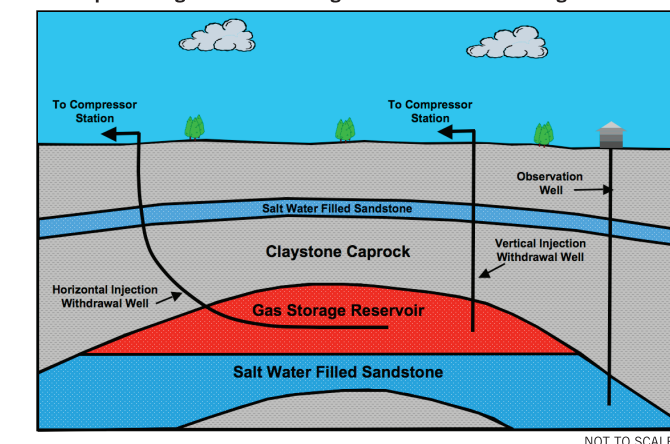
Underground storage pools are geologic traps that hold natural gas and water. The traps are not open spaces or gaps in the earth filled with liquid but are porous sandstone formations. The sandstone holds natural gas in its gaseous state in tiny spaces between the sand grains, similar to a sponge holding water.

Sandstone normally contains water, but where geologic conditions are right, natural gas can accumulate. The sandstone reservoir is surrounded on all sides by nonporous rock, which prevents the gas from migrating. The gas is transported from nearby pipelines to the storage site, where it is injected into the underground reservoir through wells specifically designed for this purpose and can later be withdrawn and redelivered in the same manner.

Gas storage allows utilities and large gas consumers to purchase natural gas when pipeline capacity demand is

low, helping to keep down energy costs. Storage also provides more flexibility in dealing with a volatile spot market, creating opportunities to avoid short term price spikes or to take advantage of low cost purchases.

Conceptual Diagram of an Underground Natural Gas Storage Reservoir



Q&A QUESTIONS FROM GILL RANCH NEIGHBORS

How many workers will be employed in the construction of the project?

The project will require between 100 and 350 workers on the project site for most of the 12 month construction schedule. The project team is in the process of selecting the general contractor that will build the transmission pipeline, the compressor station and the wellhead facilities. One of the criteria for contractor selection is a commitment to hire local labor to the greatest extent possible. Contractor selection is set for early March 2009. Construction is scheduled to begin in October 2009.

Once the facility is operational, how many and what type of positions will make up the operating staff?

The operating staff will consist of 10 to 12 full-time workers. There will be one supervisor, one clerical support position, four to six operator positions, and up to four maintenance positions (both mechanical and electrical). The facility will be staffed 24 hours a day during certain operations, and normal working hours during others. The operators will work rotating shifts as required.

THE GILL RANCH STORAGE PROJECT IS OWNED BY



For information call 866-537-9245 or e-mail us at info@gillranchstorage.com.