San Francisco Peninsula System Capacity Update

October 21, 2010



Redacted	California Pipeline/Storage Facilities	
	Interconnection PG&E Storage Field S Third Party Storage Field S SoCal Gas Storage PG&E Backbone PG&E Local Transmission Kern/Mojave Mojave Kern River SoCal Gas North Baja	PGS
	PG&E Gas Service Territory Redacted	٦
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Redacted



Core Customers

• Residential and small commercial customers.

Noncore Customers

 Relatively large customers such as large commercial, industrial, cogeneration, wholesale, and utility electric generation customers.

Noncore customers have the option to become core customers.

San Francisco Peninsula Noncore Customers



Peninsula 109 Noncore Customers

- 21 hospitals
- 19 colleges/schools
- 23 government buildings
- City of Palo Alto gas system (noncore portion)
- 2 waste treatments
- 11 office buildings
- 5 hotels
- 9 hi-tech
- 24 industry/manufacturing
- 8 nurseries
- 5 electric generation/cogeneration
- San Francisco 46 Noncore Customers
 - 14 hospitals
 - 6 colleges
 - 11 government buildings
 - 9 office buildings
 - steam heat system (has diesel backup, not sure about reliability)
 - 4 hotels
 - 2 electric generation/cogeneration

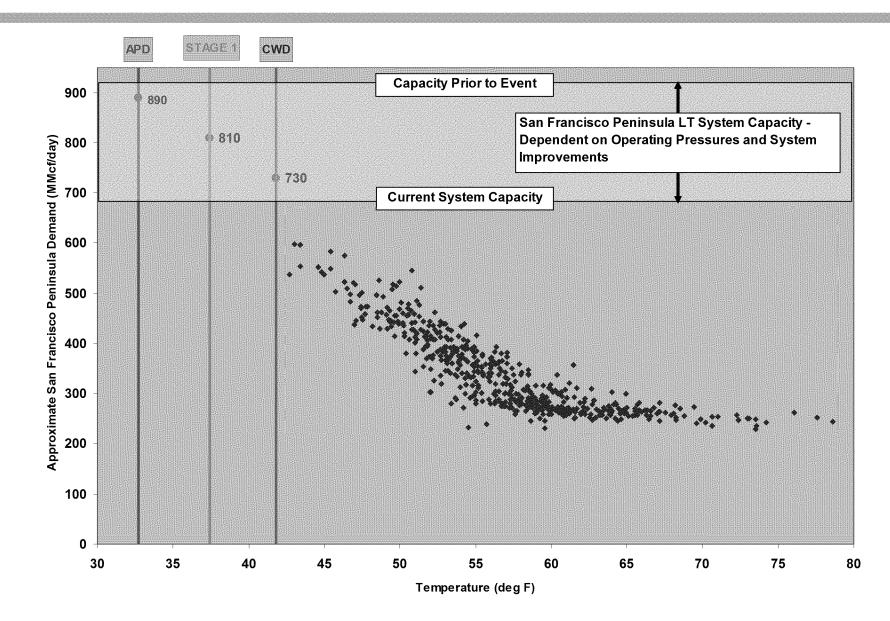
Local Transmission Capacity Standards



PG&E's Local Transmission system is designed to serve the greater of the following load conditions:

- Cold Winter Day (CWD) Ensure reliable service to core and noncore customers
 - Occurs every 2 years on average
 - SF daily avg temperature = 42° F
 - Noncore customers fully served.
- Abnormal Peak Day (APD) Ensure reliable service to core customers (residential and small commercial)
 - Occurs every 90 years on average
 - SF avg daily temperature = $32^{\circ}F$
 - Noncore customers fully curtailed. Noncore pays lower transport rate with obligation to willingly curtail.
- Noncore curtailments may begin after CWD and increase as temperatures approach APD

San Francisco Peninsula Demand and Capacity



SB GT&S 0799107



- Configure Milpitas Terminal to allow the potential for safe, independent pressure set points on L-101, L-109, and L-132.
- Install a new cross-tie and regulation between L-109 and L-• 132 upstream of the section of L-132 that is out of service (San Andreas cross-tie).
- Install regulation at existing Sierra Vista and Healy cross-• ties
- Manually operate the Edgewood cross-tie as needed.
- Manually operate certain distribution regulator stations to maintain distribution system pressures.

Next Steps



- Complete Construction of all Capacity Projects
- Review Operating Pressure of L-101 and L-109
- L-132 pressure coordinated with CPUC based on NTSB results
- Determine Gas System Capabilities to meet all Gas Customer needs on the San Francisco Peninsula
- Continue to work with CPUC, City of San Bruno and all other Stakeholders as we move forward with our analysis