## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company, Regarding the Gas Explosion and Fire on December 24, 2008 in Rancho Cordova, California.

# FILED PUBLIC UTILITIES COMMISSION NOVEMBER 19, 2010 SAN FRANCISCO OFFICE I.10-11-013

# ORDER INSTITUTING INVESTIGATION AND NOTICE OF HEARING

### I. INTRODUCTION AND STATEMENT OF PURPOSE

By this order, the Commission institutes a formal investigation to determine whether the named Respondent, Pacific Gas and Electric Company ("PG&E"), violated any provision or provisions of the California Public Utilities Code, Commission general orders or decisions, or other applicable rules or requirements in regards to its gas service and facilities, pertaining to a gas explosion and fire that occurred on December 24, 2008 in Rancho Cordova, California. The Respondent is PG&E, a privately owned public utility, subject to the safety and rate jurisdiction and regulation of this Commission, and to California law and the Commission's general orders, rules, and decisions. The Commission enforces law that sets forth safety requirements pertaining to the design, construction, testing, operation, and maintenance of utility gas gathering, transmission, and distribution piping systems, and for the safe operation of such lines and equipment.

This order provides notice that the Commission will set a hearing to determine whether Respondent PG&E has violated the general orders, statutes, decisions, or other applicable authority pertaining to PG&E gas service and the gas explosion and fire that occurred on December 24, 2008, in a residential neighborhood of Rancho Cordova, California. This order also directs Respondent PG&E to respond to certain questions and provide specified information to the Commission.

This Commission seeks here to address both the past and the future. By that we mean we have responsibilities both to address possible past violations of law resulting in unsafe utility practices with respect to PG&E's gas facilities, and to ensure that future PG&E practices comply fully with the law and are safe to the public and to PG&E's employees. Under California Public Utilities Code § 451: "Every public utility shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities ... as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public." The Commission is also charged with responsibilities under Public Utilities Code §761 to correct and prevent unsafe utility practices. In addition, the Commission is certificated by the Pipeline and Hazardous Materials Safety Administration ("PHMSA") in the United States Department of Transportation pursuant to 49 U.S.C. § 60105, because the Commission has adopted the federal pipeline safety standards, 49 Code of Federal Regulations (CFR), Parts 190, 191, 192, 193, and 199, including all revisions to the federal pipeline standards. See Commission General Order 112-E, §§ 104.1 and 181. Therefore, the Commission possesses authority to enforce the federal pipeline safety standards, as well as state pipeline safety requirements, through penalties and/or injunctive relief. We intend to consider information learned in this investigation to enhance PG&E safety and the general good of California. The Commission also intends to ascertain whether PG&E management policies and practices contributed towards violations of law, and the Rancho Cordova explosion and loss of life. If this proves to be affirmative, this agency expects to hold PG&E responsible under the law for statutory penalties and/or other appropriate relief. We also place PG&E on notice that CPSD alleges violations that CPSD appears to assert are daily violations that occurred over long periods of time, and that CPSD asserts caused or contributed to a person's death. The Commission also intends to ascertain whether additional or different measures that PG&E has put into place are necessary or appropriate to avoid future gas explosions and fires that place life and property at risk.

The Commission also wishes to establish promptly whether PG&E agrees to reimburse the state for the cost accrued by the Commission's Consumer Protection and Safety Division ("CPSD") for its Rancho Cordova investigation and its prosecution of it. From the facts presented to the Commission, we see no justification for taxpayers to bear these costs. If PG&E disagrees, PG&E should provide its support for a contrary view.

## II. SUMMARY OF EXPLOSION

On December, 24, 2008, a gas explosion and ensuing fire occurred in a residential neighborhood of Rancho Cordova, California. The explosion and fire destroyed one home (10708 Paiute Way) and severely damaged two other homes (10712 and 10704 Paiute Way). One home dweller, then at home at 10708 Paiute Way, was injured critically and died shortly thereafter at a Sacramento area hospital. Five other persons, including neighborhood dwellers and PG&E personnel present at the incident site, were injured, some critically, by the blast and fire. Some were hospitalized and treated for severe burns or other injuries, but all five persons survived their injuries.

The National Transportation and Safety Board ("NTSB"), along with CPSD investigated the gas explosion and fire. Since it is not the Commission's intent to pre-judge the facts involving this explosion or about PG&E, we expect PG&E to provide us with identification of any factual assertions or conclusions stated in the NTSB's "Pipeline Accident Brief" ("PAB"), adopted by the NTSB on May 18, 2010, and in CPSD's report, which PG&E contends are erroneous or which PG&E wishes to qualify or explain. We have also chosen at this time not to repeat any additional facts asserted by CPSD in its own report. The Commission has reached no finding or conclusion about the facts asserted by any party, but concludes that the information set forth by the NTSB and CPSD reports are sufficient for this Commission to commence a formal investigation.

According to the NTSB PAB, the following events occurred:

# A. Rancho Cordova Gas Service and PG&E's 2006 Gas Repairs

In 1977, PG&E installed a 2-inch in diameter polyethylene (PE) gas pipeline to serve the homes on Paiute Way in Rancho Cordova. (NTSB Pipeline and

Operations Factual Report by Karl Gunther, released on December 3, 2009, p. 6) The pipeline is buried under the lawns of several homes on Paiute Way.

On September 15, 2006, about 7 A.M., a resident at 10708 Paiute Way complained about gas odor (PAB, p.9). PG&E dispatched a crew to the address at about 4 P.M. on that day. PG&E found the odor source to be a leak in the 2-inch PG&E PE pipe buried in the front lawn of the home.

PG&E completed its repair of the gas leak on September 21, 2006. PG&E's repair consisted of about 20 feet of 1<sup>1</sup>/<sub>4</sub>-inch diameter PE pipe that was inserted into the existing 2-inch diameter leaking main gas pipe. PG&E's gas service technician also installed a pipe of about six inches in length, between the repair coupling and the reducer fitting to connect the 2-inch pipe with the repair coupling that was installed in connection with the 1<sup>1</sup>/<sub>4</sub> -inch pipe (PAB, p.7). According to NTSB, this small piece of pipe was unmarked and out of specification, and was the probable cause of the gas leak and explosion in Rancho Cordova on December 24, 2008 (PAB, pp. 9 and 10).

After the December 24, 2008 explosion, CPSD and PG&E investigated PG&E records and determined that prior to the explosion; PG&E had installed another non-conforming gas pipe. This occurred on October 7, 2006, in Sacramento, when a newly installed PG&E pipe repair failed its installation leak test. The repair pipe used was removed and tested. Testing found that the pipe failed to meet its required wall thickness, causing the leak. PG&E felt that the pipe failure "was an isolated incident" and conducted no "further reviews within PG&E" (PAB, p. 10).

### B. Summary of the events of December 24, 2010

On December 24, 2008, at 9:16 AM, a resident at 10716 Paiute Way telephoned PG&E and notified the company about a gas odor outside her house. PG&E dispatched a technician to the site. She arrived at about 10:15 A.M. (PAB, p. 1 and 2), with equipment and training which NTSB concludes was insufficient to grade outdoor gas leaks (PAB, p. 2).

The technician began her tests and examinations to locate the gas leak. She conducted gas finding tests and procedures at 10716 Paiute Way with the equipment that

was available at her disposal, and detected the presence of gas in the water box located outside and in front of the house (PAB, p. 2).

The PG&E technician left the premises at 10716 Paiute Way, and at 10:24 A.M. spoke to the neighbor at 10712 Paiute Way, who told the technician that she had smelled gas outside her house. At 10:25 A.M., the technician telephoned PG&E's dispatch on a dedicated line to request an ionization detector ("flame pack") and a crew to help locate an outdoor leak. The technician also asked the resident of 10712 Paiute Way to call PG&E and report a leak in her yard. The resident did so at 10:29 A.M., and reported to PG&E "a strong gas odor outside her house in the garage area" (PAB, p.3). At about 10:42 A.M., a PG&E maintenance supervisor dispatched to the site a fieldman, a foreman, and a leak investigator qualified by PG&E to use the flame pack (PAB, p. 3).

The PG&E technician recognized "the immediate need for assistance from an ionization crew," and called PG&E's Concord Dispatch directly about 10:32 A.M. to request a crew. She made a second call at about 10:35 A.M. to PG&E's Customer Contact Center (PAB, p. 3).

Another resident at 10712 Paiute Way talked with the technician and told her that the "source of the leak was in his next-door neighbor's yard," (PAB, p.3). The address of the neighbor was 10708 Paiute Way.

The technician then went to the home at 10708 Paiute Way, and performed a "clock test" on the meter there which showed almost no flow (this may indicate less likelihood of a gas leak originating on the inside of the house). She knocked on the door to gain access and check for gas inside but no one answered. The technician noted a patch of dead grass on the front lawn (we understand that gas leaks can kill grass by depriving it of air). The technician then used the equipment she had to detect the presence of gas in the yard (PAB, p.4).

During the time that she was at the site, the technician reportedly called multiple times to request PG&E to send the proper equipment and personnel to locate the leak (PAB, pp. 3 and 4). The technician later told investigators that "she had become increasingly concerned about the leak at the time (PAB, p. 4). The technician "did not

contact the fire department to request entry into the house, nor did she place signs on the doors or string up tape to warn residents that entry could be hazardous" (PAB, p.4).

According to statements made to NTSB investigators, persons entered 10708 Paiute Way at about noon, while the PG&E technician was sitting in her vehicle. They were the home owner, his 44-year old daughter, and 17-year old granddaughter (PAB, pp.4 and 6).

The leak investigator arrived at the site at 1:19 P.M., about two hours and forty seven minutes after the technician requested that PG&E send a flame pack and its operator (leak investigator) to the site. The leak investigator later told investigators that brake problems on his truck delayed him coming to the site. The leak investigator did not notify PG&E dispatch of his delay (PAB. p. 4 and 5).

When the leak investigator arrived at the site, he knocked at the door of 10708 Paiute Way. The door was opened by the 17 year old granddaughter of the homeowner. The homeowner and the PG&E leak investigator then went outside (PAB, p.5).

At about 1:35 P.M., the home at 10708 Paiute Way exploded (PAB, p.5).

# C. Summary of Damage to Persons and Property

The natural gas explosion and fire destroyed the home at 10708 Paiute Way, and severely damaged two other homes. The homeowner at 10708 Paiute Way died and five other persons were hospitalized (PAB, p.1).

The NTSB May 10, 2010 PAB does not identify the ignition source of the explosion. CPSD has identified the likely source of the explosion to be the flick of a cigarette lighter by the 17 year old homeowner's granddaughter in the bathroom at 10708 Paiute Way.

# **D.** Investigations to date

Several agencies have conducted investigations of the explosion. The Sacramento Police Department and the Rancho Cordova Police Department jointly conducted an investigation and issued a report. The report is relevant to the

Commission's investigation, because among other things it contains witness statements about the gas leak and their asserted reports to PG&E. The report also identifies alleged resident requests to PG&E before the explosion to evacuate the area. The report is dated December 24, 2008 (the day of the explosion), with supplementary information dated December 29 and 30, 2008, various dates in January 2009, and February 3, 2009.

The NTSB is a federal government agency. Among other responsibilities, NTSB is charged with a responsibility to investigate and determine the causes of gas explosions, such as the one that occurred at Rancho Cordova. NTSB conducted an investigation consisting of (1) recorded interviews of witnesses to the explosion or to events which may have led to the explosion, and to the ensuing fire and rescue efforts (neighborhood residents, PG&E personnel, firemen, and police), and (2) scientific laboratory testing of the PG&E gas pipes and facilities that failed and may have contributed to causing the leak and explosion. CPSD investigators participated actively in the NTSB investigation.

NTSB's May 18, 2010, PAB determined that "the probable cause of the December 24, 2008, release, ignition, and explosion of natural gas in Rancho Cordova, California, was the use of a section of unmarked and out-of-specification PE pipe with inadequate wall thickness that allowed gas to leak from the mechanical coupling installed on September 21, 2006. Contributing to the accident was the 2-hour 47-minute delay in the arrival at the job site of a Pacific Gas and Electric Company crew that was properly trained and equipped to identify and classify outdoor leaks and to begin response activities to ensure the safety of the residents and public" (PAB, p. 16).

NTSB's PAB also states that the explosion "illustrates shortcomings in PG&E's response procedures." First, NTSB notes that prior to the explosion, PG&E employees dispatched and responding to a gas leak did not "require any of the responders to periodically check in with their dispatch offices to communicate delays in responding." Second, the NTSB notes that PG&E dispatched first responding technicians to leaks complaints that "were neither trained in grading outdoor leaks nor equipped with the equipment required to do so under PG&E's operator qualification program"(PAB, p.14).

The NTSB also finds that PG&E technicians "did not have barrier tape or notices that could be used to warn an absent homeowner that the house was dangerous because of leaking gas and not to enter the house." *(Id.* at 14).

CPSD also conducted its own investigation of the explosion to determine whether PG&E violated any applicable statutes, Commission decisions, Commission general orders, or any other Commission and state regulation or standards, and whether any such violations caused or contributed to the explosion and the injuries and damage that it caused. CPSD investigators participated actively in the NTSB interviews. CPSD also conducted other discovery, such as an on-site visit to the incident site on the day of the explosion, data requests, and a field visit to PG&E's Sacramento Division yard. The CPSD report contends that PG&E violated California statutes, Commission general orders requiring safe utility operation, and federal gas safety requirements that the Commission and its staff are by law authorized to enforce. CPSD also contends that PG&E practices and policies were deficient and contributed to the December 24, 2008 Rancho Cordova explosion. CPSD contends that PG&E practices were deficient with respect to ensuring the installation and maintenance of appropriate gas pipe for the timely detection of and proper attention to dangerous gas leaks, the development and implementation of effective evacuation procedures, and the training and supervision of PG&E gas personnel in each of these areas, and with respect to other matters.

The Commission has reached no conclusion or made no finding from any source that PG&E has violated any statutory responsibilities, general orders, decisions, or other legal requirements or standards. However, the NTSB's PAB and CPSD's report have presented us with sufficient information and good cause to commence a formal investigation to ascertain whether such violations have occurred, and if so, the proper remedy for such violations.

This agency is charged with a responsibility to identify, address, and correct any safety deficiencies in PG&E's system and management that are proven in this investigation, and that PG&E may not have already rectified fully. The Commission is aware that PG&E has made efforts to undertake "a number of process improvement

initiatives to improve response time and efficiency and to preclude the introduction of nonspecification pipe for repairs" (PAB, p.15). The PAB provides a list of PG&E's efforts. The Commission expects to review them in this proceeding and ascertain whether they are adequate.

# III. VIOLATIONS ALLEGED AND PG&E REPORT REQUIRED

CPSD has alleged violations of the law with respect to Rancho Cordova, as

follows:

- 1. In 2006, PG&E installed a section of PE pipe that was not approved for gas usage in the ground at 10708 Paiute Way, and used it daily to transport gas to 10708 Paiute Way and other residents between September 21, 2006 and December 24, 2008. PG&E's installation and use of the pipe violated the requirements of federal law, 49 Code of Federal Regulations (CFR) Section (§) 192.13(c) and 192.59(a)(1), incorporated into the Commission's General Order 112-E, and of Public Utilities Code (Pub. Util. Code) § 451 to provide safe public utility gas service. CPSD contends that an approximately six-inch long piece of pipe used by PG&E for the 2006 repair did not meet the specifications of size and markings, and manufacture mandated for utility gas pipes by federal law and adopted and required by the Commission. CPSD also contends that the failure of this pipe was a root cause of the catastrophic explosion in Rancho Cordova on December 24, 2008.
- 2. PG&E's management failure to ensure that appropriate inspections were conducted to locate non-conforming pipe in the ground violated the requirements of federal law, 49 CFR § 192.13(c) incorporated into the Commission's General Order 112-E, and of Pub. Util. Code § 451 to provide safe public utility gas service, and contributed to the December 24, 2008 Rancho Cordova gas explosion. CPSD alleges that, when PG&E discovered during installation testing that non-conforming gas pipe had been used for a Sacramento area repair done in October 2006, PG&E failed to take corrective actions and preventative measures, such as the excavation of other installation of similar sized pipe in the same area and during the same general time period. CPSD contends that this omission contributed to the explosion at Rancho Cordova.

- 3. PG&E violated the requirements of Pub. Util. Code § 451 to provide safe public utility gas service, and 49 CFR § 192.13(c) incorporated into the Commission's General Order 112-E, because PG&E failed to follow its own procedure to ensure that gas service employee safeguard life and property when an outside hazardous leak is suspected.
- 4. PG&E violated multiple named subsections and requirements of 49 CFR § 192.615 (a), (b), and incorporated into the Commission's General Order 112-E, and violated the requirement of Pub. Util. Code § 451 to provide safe public utility gas service, by failing to comply with statutory requirements to develop and implement requirements for effective gas emergency plans.
- 5. PG&E violated the requirements of Pub. Util. Code § 451 to provide safe public utility service, and 49 CFR § 199.105(b) and 199.225(a), and incorporated into the Commission's General Order 112-E, in that PG&E failed to administer a drug and alcohol detection test to a key PG&E employee (leak investigator) to ascertain whether alcohol or drug use could definitively be ruled out as one contributing cause of the explosion.

The Commission intends to hold public hearing to address these matters, and also to direct Respondent PG&E to reply to specific questions. The Commission also invites interested parties to actively participate in this proceeding as it involves important safety and other policy matters that will benefit from the expertise, participation, and evidence of other parties.

This proceeding shall seek to:

- (1) Determine whether PG&E violated any provisions of the Public Utilities Code, general orders, Commission decisions, federal gas safety regulations and laws that the federal government has authorized the Commission to enforce in California, or whether PG&E has violated other rules, or requirements, regarding their facilities, practices, procedures, training, and supervision, linked to their gas service at Rancho Cordova.
- (2) Determine the remedy or remedies for any proven violation;

(3) Determine whether PG&E's safety practices should be modified to ensure safe future PG&E gas service.

The reports of NTSB and CPSD provide us with reason to investigate whether violations have occurred, and if so whether the violations may have been factors in causing the explosion. Respondent should identify facts and circumstances to the contrary in support of its positions and conclusions. In view of the specific information in both the NTSB and CPSD reports, we will expect that if PG&E disagrees with NTSB's and CPSD's alleged violations, it will present evidence and law ample to deny each violation asserted by NTSB and CPSD. The reports and source documents used by CPSD in its reports are attached hereto.

PG&E is therefore directed to appear and provide a report by December 17, 2010, to identify all reasons of law and fact currently known to PG&E to establish that the company has committed none of the violations alleged in CPSD's report. If PG&E also takes the position that the December 24, 2008 explosion would have occurred even absent any PG&E violation, we further direct PG&E to explain that position.

The Commission therefore directs PG&E to file, by December 17, 2010, a written report with the Commission and CPSD, served on all parties to this proceeding, which fully responds to the following directive for information:

- A. Provide the dates of each service call, communication, or complaint PG&E received between January 1, 2000 and December 24, 2008 (including that date) related to gas facilities located at the homes or on or under the properties at 10700, 10704, 10708, 10712, or 10716 Paiute Way, Rancho Cordova. For each such service call or complaint, provide:
  - 1. The date and time of the service call, communication or complaint.
  - 2. The name and address of each such person who made the service call, communication, or complaint.
  - 3. A summary of the service call, communication, or complaint.
  - 4. A summary of each PG&E action, installation, or repair taken in response to each such service call, communication, or complaint.

- B. To the extent not described in PG&E's response to "A" above, and for the period from January 1, 2000 through December 23, 2008, provide the dates and descriptions of maintenance conducted, repairs conducted, modifications made, and additional equipment installed, on any of the gas facilities located at the homes or on or under the properties and 10700, 10704, 10708, 10712, and 10716 Paiute Way, Rancho Cordova.
- C. Provide a copy of each and all PG&E manual and written communication in use by PG&E between January 1, 2000 and December 23, 2008, which informs PG&E's gas personnel about the conditions under which PG&E personnel are directed to undertake evacuation of residences, buildings, or areas in the event of gas leaks.
- D. Provide a copy of each and all PG&E manuals and written communications in use by PG&E between January 1, 2000 and December 23, 2008, and which informs PG&E's gas personnel about PG&E's procedures for evacuation of residences, buildings, or areas in the event of gas leaks.
- E. Provide a copy of each PG&E manual and written communication in use by PG&E between January 1, 2000 and December 23, 2008, which informs PG&E's gas personnel of their expected response times and priorities to complaints or service calls pertaining to gas leaks or gas odors.
- F. Provide a summary of actions PG&E took between January 1, 2000, and December 23, 2008 to comply with each and all provisions and subsections of 49 CFR § 192.615. The summary shall identify and describe, individually for each lettered and numbered requirement:
  - 1. PG&E action taken or procedures developed
  - 2. The date of such action or procedure
  - 3. Identify and summarize each communication made during the period, both verbal and written, by which PG&E communicated each procedure required by the law cited (49 CFR § 192.615) to PG&E employees.
- G. Provide a summary of all PG&E actions taken, with dates shown, after PG&E found the non-conforming pipe at 8101 Consumnes River Blvd. in Elk Grove, to ascertain whether other non-conforming gas pipes had been installed in the Sacramento area for use in gas service.

- H. Provide a summary of PG&E's contentions and a list of evidence in support of each such contention, as to whether its actions violated any of the authorities listed in Section III, 1-7 above, with respect to any PG&E actions taken between January 1, 2000, and December 23, 2008 (including that day), pertaining to gas facilities at or underneath 10700, 10704, 10708, 10712, and 10716 Paiute Way, Rancho Cordova.
- I. Describe why all of PG&E's actions and practices, related to the matters alleged in CPSD's report and by NTSB's Pipeline Accident Brief adopted by NTSB on May 10, 2008, were lawful, reasonable and prudent.
- J. Does PG&E contend that the December 24, 2010 explosion, property damage, injuries, and loss of life, would have occurred even if PG&E's actions before and on that date had been lawful, reasonable, and prudent? If the answer is anything other than an unqualified "no", provide support for PG&E's contention.
- K. Provide all documents that support or relate to the responses and information provided in the report.
- L Provide the names (and titles if employee or agent) of all witnesses to the responses and information in the report.Provide the name of each such witness with respect to specified portions of the report.
- M. The Commission also directs PG&E to provide the following

additional information in its report:

- 1. Does PG&E agree to reimburse the Commission for CPSD costs of investigating the Rancho Cordova explosion and the circumstances leading to it? If PG&E answers anything other than an unqualified "yes", PG&E is directed to state facts and law in support of its position.
- 2. In reference to each PG&E "post accident action" noted and summarized in the PAB at pp. 15 and 16, PG&E is directed to provide the date of implementation, a summary of the means by which it was implemented, and an assessment of the means by which the action has been effective in preventing the kind of explosion and harm to persons and property that occurred in Rancho Cordova.

### **IV. SCHEDULE**

As we stated earlier, the Commission will set hearings to review the issues raised by this matter. The Commission intends to set a prehearing conference to consider and adopt a hearing schedule and schedule other matters for this proceeding.

### A. Categorization

This proceeding is categorized as adjudicatory. *Ex parte* communications are prohibited. The determination as to category is appealable under Rule 7.6 of the Commission's Rules of Practice and Procedure.

#### Therefore, IT IS ORDERED that:

1. An investigation is instituted on the Commission's own motion to determine whether Pacific Gas and Electric Company (PG&E) violated any provision of the California Public Utilities Code, general orders, federal law adopted by California, other rules, or requirements by with respect to its gas service at or near the area of Paiute Way, in Rancho Cordova, California.

2. PG&E is named as Respondent to this investigation.

3. Respondent PG&E is directed to show at hearings why the Commission should not find it in violation of provisions of the Public Utilities Code (Pub. Util. Code), general orders, decisions, other rules, or requirements identified in this Order, and/or engaging in unreasonable and/or imprudent practices related to these matters, and why the Commission should not impose penalties. If any PG&E violation is found, PG&E is directed to show why penalties and/or any other form of relief should not be applied. PG&E is also directed to file a report no later than December 17, 2010 providing the information required and specified in this order.

4. PG&E is hereby given notice that fines may be imposed in this matter pursuant to Pub. Util. Code §§ 2107 and 2108.

5. PG&E is hereby given notice that the Commission may order the implementation of operational and policy measures designed to prevent future gas hazards to safety pursuant to Pub. Util. Code § 761.

6. Pursuant to Rule 7.1(c) of the Commission's Rules of Practice and Procedure, this proceeding is categorized as adjudicatory, deemed to require hearings, and this Order includes a preliminary scoping memo. This Order, only as to category, is appealable under Rule 7.6.

7. A prehearing conference shall be convened before an Administrative Law Judge (ALJ) for the purpose of establishing a schedule in this matter, including the date, time, and location of an evidentiary hearing, and for good cause shown the ALJ and/or Assigned Commissioner may extend the deadline of December 17, 2010, for any particular responses required.

8. The report and supporting documents prepared or attached by the Commission's Consumer Protection and Safety Division (CPSD) supported by Declaration, will be entered into the record for this proceeding. If PG&E believes that under the law any portion of the report or attachments, not already public, should remain unavailable for public review, PG&E must file a written motion for a protective order for specific identified portions of the report and attachments, and must identify the legal support for its requests, no later than December 17, 2010. CPSD is directed to provide any reply to this request no later than December 23, 2010.

9. The Executive Director shall cause a copy of this Order to be served by certified mail on the Respondent, PG&E, at:

Christopher P. Johns President Pacific Gas and Electric Company 77 Beale Street San Francisco, CA 94105 Lise H. Jordan Law Department Pacific Gas and Electric Company 77 Beale Street San Francisco, CA 94105

Brian K Cherry Vice President, Regulatory Relations Pacific Gas and Electric Company 77 Beale Street, Room 1087 San Francisco, CA 94105

This order is effective today.

Dated November 19, 2010 at San Francisco, California.

MICHAEL R. PEEVEY President DIAN M. GRUENEICH JOHN A. BOHN TIMOTHY ALAN SIMON NANCY E. RYAN Commissioners