From:Clanon, PaulSent:12/14/2010 6:57:51 PMTo:Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)Cc:Bcc:Bcc:Subject:RE:Thx.

On Dec 14, 2010, at 6:55 PM, "Cherry, Brian K" <<u>BKC7@pge.com</u>> wrote:

The NTSB's December 14th advisory suggests that there may be an issue with the longitudinal welds on 30-inch pipe dating from the 1940's and 1950's. Out of an abundance of caution, the Commission directs PG&E to promptly reduce the operating pressure on all natural gas transmission pipelines with segments of 30" DSAW pipe installed before 1962 (the "30-inch Segments") to __% of MAOP; provided that this direction does not apply to any gas transmission pipeline all of the Segments of which have been hydrostatically tested after being put in service to at least 90% of SMYS for a minimum of 8 hours.

PG&E may restore the operating pressure on each gas transmission pipeline to MAOP upon completion of one or more of the following actions on all the Segments on that pipeline:

- 1. Hydrostatic testing
- 2. X-raying the entire length of the longitudinal weld and determining that it is DSAW
- 3. Camera examination of the interior of the pipe and verifying the presence of an inside weld
- 4. Such other test, approved by the Commission, that verifies the pipe is DSAW

In the event that, prior to completing the actions described in the prior paragraph, PG&E determines that, due to unforeseen circumstances, an increase in pressure on any gas transmission pipeline affected by this reduction in operating pressure is necessary to avoid a curtailment of gas service to core customers, PG&E may ask the Commission for temporary authority to increase the operating pressure sufficiently to avoid interrupting service to core customers. In exigent circumstances, the President of the Commission or the Executive Director is delegated authority to act on such a request on behalf of the full Commission.