

From: Clanon, Paul
Sent: 12/6/2010 8:39:08 AM
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)
Cc:
Bcc:
Subject: Re: Need CPUC waiver

Email me and I'll call.

On Dec 6, 2010, at 8:37 AM, "Cherry, Brian K" <BKC7@pge.com> wrote:

Should be available in 15 minutes or so.

From: Clanon, Paul [<mailto:paul.clanon@cpuc.ca.gov>]
Sent: Monday, December 06, 2010 08:20 AM
To: Clanon, Paul <paul.clanon@cpuc.ca.gov>
Cc: Cherry, Brian K
Subject: Re: Need CPUC waiver

Let's talk this morning. Discussion continued overnight, and the answer changed a little.

On Dec 5, 2010, at 9:59 PM, "Clanon, Paul" <paul.clanon@cpuc.ca.gov> wrote:

Begin forwarded message:

From: "Halligan, Julie"
<julie.halligan@cpuc.ca.gov>
Date: December 5, 2010 9:40:41 PM PST
To: "Clanon, Paul" <paul.clanon@cpuc.ca.gov>
Cc: "Clark, Richard W."
<richard.clark@cpuc.ca.gov>, "Stepanian, Raffy"
<raffy.stepanian@cpuc.ca.gov>, "Berdge, Patrick
S." <patrick.berdge@cpuc.ca.gov>, "Fitch, Julie
A." <julie.fitch@cpuc.ca.gov>, "Lindh, Frank"
<frank.lindh@cpuc.ca.gov>
Subject: Re: Need CPUC waiver

Yes. We would want the information regarding the facilities as soon as they can get it to us but we would

want them to have the ability to use LNG quickly if they need to.

From: Clanon, Paul
To: Halligan, Julie
Cc: Clanon, Paul; Clark, Richard W.; Stepanian, Raffy; Berdge, Patrick S.; Fitch, Julie A.; Lindh, Frank
Sent: Sun Dec 05 21:14:15 2010
Subject: Re: Need CPUC waiver

Should I tell them that?

On Dec 5, 2010, at 8:43 PM, "Halligan, Julie"
<julie.halligan@cpuc.ca.gov> wrote:

Hi - It is a notice requirement. 49 CFR Part 193 deals with LNG facilities. Part 193.2019 (a) provides that the Part 193 requirements don't have to be met for mobile or temporary LNG used during "service maintenance" or "during gas systems repair or alteration". Part 193.2019 (b) provides that the state agency responsible for pipeline safety must be notified two weeks in advance of the use of any mobile or temporary LNG facilities. The information to be provided includes location and site details, procedures for leakage containment and control, fire prevention and site control information. The provides that in the event an emergency, if the two weeks notice can't be met, as much notice as possible shall be provided.

Since this is a type of emergency we should be willing to waive the notice requirement.

Julie

From: Clanon, Paul
Sent: Sat 12/4/2010 5:17 PM
To: Clark, Richard W.; Halligan, Julie; Stepanian, Raffy; Berdge, Patrick S.
Cc: Fitch, Julie A.; Lindh, Frank
Subject: Fwd: Need CPUC waiver

What's the requirement, and would we be willing to waive it?

Begin forwarded message:

From: "Cherry, Brian K"
<BKC7@pge.com>
Date: December 4, 2010 5:12:52 PM PST
To: <pac@cpuc.ca.gov>
Subject: Fw: Need CPUC waiver

FYI. Let's talk next week.

From: Johnson, Kirk
Sent: Saturday, December 04, 2010 03:31 PM
To: Cherry, Brian K; Horner, Trina; Stock, William
Cc: Salas, Edward A (ET); Williams, Geisha; Hayes, William
Subject: Need CPUC waiver

Brian et al, we are working on plans to use LNG in SF as part of our plan to meet core load on a very cold day this winter. As noted below we

need to do training and there is a CPUC notification requirement that I need to get Paul Clannon to help us with. If we can get the requirement waived, we can get the training completed and the LNG in place earlier.

We have our engineers and others working on the location and set up issues. All work is happening in parallel. If we can get a waiver by early AM Monday we can move forward.

We still have a lot of work going on and I will give an update later this weekend.

Please call me on my cell if you want to talk or we can make progress on this issue this weekend.

Kirk
415 244 1109

LNG - Below are some dates that Austin has provided to

get LNG available asap. Austin needs to configure the equipment in new ways for the types of applications and therefore needs to perform testing and training. He currently has training and testing scheduled in Yuba City for the week of December 13. This training will reduce risk and doubt in the capability and ability of these systems used in this type of configuration. The testing is scheduled for that week due to the two week lead time notification to the PUC.

Ideally, Austin would like to test and train on the following schedule provided the PUC waives the two week notification requirement:

He does not anticipate an issue with the SFFD and will continue the discussion with them regarding our return to the SFGLC and the Presidio injection location.

Where we could use some high level help is to get the CPUC to work with us to waive the 2 week notification requirement so Austin can complete his testing and training so that LNG can be available asap. Overall LNG looks promising and if we can get all of the above in place we do not expect the need for core curtailments.