From: Cherry, Brian K

Sent: 12/15/2010 9:54:44 AM

To: pac@cpuc.ca.gov (pac@cpuc.ca.gov)

Cc:

Subject: FW: L-153

Latest model summary from Kirk.

From: Johnson, Kirk

Sent: Wednesday, December 15, 2010 9:48 AM

To: Cherry, Brian K

Cc:

Subject: L-153

Brain et al, just wanted to follow up on our discussion concerning lower the operating pressure on L-153 by 20% (80% of MAOP) at Irvington station. In summary there are no capacity issues with lowering the pressure, we meet all design day conditions and no increases in noncore curtailments; customer service is unaffected.

We may need to bypass a regulator station to ensure we hold the needed 235 psig outlet pressure. We will have to review our winter plans.

Russell City Energy Center is currently scheduled to come on line in 2012, and they would see lower delivery pressures. The gas burn is estimated at 4 Mmcf/hr, a big gas load. They are currently engineering their project based on historical gas pressures. We will need to contact them and let them know of the change in operating pressure. They are paying for a special facilities connection so pressure is likely a significant issue for them.

We lower the pressure in L-153 last Friday night to 90% of MAOP. Based on this pressure we are operating at 29% SMYS on the segments in question.

L-153 would not be impacted if the CPUC agrees that pipelines currently operating below 30% SMYS were not include in the order. There are several references in CFR 49 stating different requirements for pipeline operating below 30% SMYS.

Kirk