From:Clanon, PaulSent:12/15/2010 4:13:16 PMTo:Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)Cc:Bcc:Subject:RE:

The National Transportation Safety Board ("NTSB"), in its Advisory of December 14, 2010, found that although longitudinal seams on some of the pipe segments removed from Pacific Gas and Electric Company ("PG&E") Line 132 following the San Bruno explosion of September 9, 2010, were fusion-welded from both inside and outside the pipe, "some were fusion-welded only from the outside of the pipe."

Given the NTSB's preliminary finding, I direct that PG&E take the following actions.

1. Reduction of pipeline pressure

PG&E shall reduce to 20% below the Maximum Allowable Operating Pressure the pressure on pipelines meeting the following characteristics:

- a. 30-inch diameter pipelines having Double Submerged Arc Welds or equivalent; and
- b. installed prior to January 1, 1962; and

c. manufactured by same manufacturer producing the segment that failed in the San Bruno explosion of September 9, 2010; and

d. located in Class III & IV pipelines and all pipelines located in High Consequence Areas of Class I & II pipelines (gas transmission lines as defined by 49 CFR § 192.3).

2. Identification and inspection

PG&E shall assess the integrity of the pipelines described in 1.a.i, above, using one of the following four methods:

a. Hydro Test or other appropriate pressure test (see 49 CFR 192, Subpart J); or

- b. X-ray; or
- c. a camera examination; or
- d. an inline inspection using a smart "pig" or other technology appropriate to assessing pipeline seam integrity.
- 3. Repressurization

PG&E must obtain Commission authorization before repressurizing any gas transmission pipelines that have their pressure reduced under 1., above. To obtain such authorization, PG&E shall submit to the Commission information:

- a. identifying pipeline segments described in 1.a.i., through 1.a.iv., above; and
- b. assessing the condition of the segments identified in 1.a.i., through 1.a.iv., above; and
- c. completing replacement of those segments.

If PG&E finds that any of these directives would directly and adversely impact PG&E's obligation to serve core gas customers, then PG&E shall promptly notify me.

-----Original Message-----From: Cherry, Brian K [mailto:BKC7@pge.com] Sent: Wednesday, December 15, 2010 4:11 PM To: Clanon, Paul Subject:

Hello?