

From: Clanon, Paul  
Sent: 12/16/2010 7:31:16 AM  
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)  
Cc:  
Bcc:  
Subject: RE:

OK, I'll get busy on this end introducing some new errors.

**From:** Cherry, Brian K [mailto:BKC7@pge.com]  
**Sent:** Thursday, December 16, 2010 7:29 AM  
**To:** Clanon,  
Paul  
**Subject:** RE:

I think this works. Let me call Joe Malkin and settle it.

**From:** Clanon, Paul  
[mailto:paul.clanon@cpuc.ca.gov]  
**Sent:** Thursday, December 16, 2010  
7:25 AM  
**To:** Cherry, Brian K  
**Subject:** RE:

Ignore the formatting:

December 16, 2010

Christopher Johns,  
President

Pacific Gas and Electric  
Company

P.O. Box 770000

Mail Code B32

San Francisco, California  
94177

Re:

Safety  
Response to the National Transportation Safety Board Advisory of December  
14,  
2010

Dear Mr. Johns:

On December 14, 2010, the National Transportation Safety Board ("NTSB") issued an advisory which included a finding that some of the pipe segments removed from Pacific Gas and Electric Company's ("PG&E's") Line 132 following the San Bruno explosion of September 9, 2010, had longitudinal seams that were fusion-welded from both inside and outside the pipe, but "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.

PG&E shall reduce, to 20% below the Maximum Allowable Operating Pressure for each line, the maximum pressure on pipelines that have segments that meet all of the following characteristics:

- all Class 3 & 4 pipelines and all Class 1 & 2 pipelines located in High Consequence Areas (gas transmission lines as defined by 49 CFR 192.3), with a 30-inch diameter;

- 30-inch diameter pipelines having Double Submerged Arc Welds or its manufacturing equivalent; and

- installed prior to January 1, 1962; and

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- have not undergone hydrostatic testing or the equivalent.

PG&E shall assess the integrity of the pipelines described above, using one of the following four methods:

1. Hydrostatic or other appropriate pressure test (see 49 CFR 192, Subpart J); or

2. X-ray; or

3. a camera examination of the interior of the pipe; or

4. an inline inspection using a "smart pig" or other technology

appropriate to assessing pipeline seam integrity.

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

- [redacted] identifying pipeline segments described in this directive; and

- [redacted] assessing the condition of the segments identified in this directive; and

2. setting forth all actions taken to meet these directives including a description of the actions taken to make the pipeline segments safe for a return to normal pressures.

- [redacted]

- [redacted]

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

Sincerely,

Paul Clanon

Executive Director

California Public Utilities  
Commission

**From:** Cherry, Brian K [mailto:BKC7@pge.com]  
**Sent:** Thursday, December 16, 2010 7:18 AM  
**To:** Clanon,  
Paul  
**Subject:**

I'm here in the office until 830 if you need  
me.