From: Clanon, Paul Sent: 2/1/2011 4:17:38 PM To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7) Cc: Bcc: Subject:

Re: Directions in Response to Notification of Increased Pressurization Events

Dear Mr. Johns:

On January 31, 2011, the Commission received additional information from Pacific Gas and Electric Company ("PG&E") regarding planned and unplanned increased pressurization events over the Maximum Allowable Operating Pressure ("MAOP") or Maximum Operating Pressure ("MOP") in several of PG&E's gas transmission lines. Portions of these gas transmission lines are located in High Consequence Areas ("HCAs").

Given this new information, I direct PG&E to take the following actions:

1. PG&E shall

reduce the operating pressure by 20% below the MAOP of all segments of the following transmission lines located in HCAs: Line 142S, Line 148, DFM-0805-01, DFM 0807-01 and DFM 1816-01. PG&E

shall maintain these pressure reductions until such time as the Commission allows PG&E to return the lines to normal operating pressure.

2. The low pressure

segment of Line 109 that is downstream of the pressure regulating station has experienced very minor pressurization events. Although the Commission previously ordered a 20% reduction in the high pressure portion of Line 109, PG&E shall also reduce the operating pressure of the low pressure segment of Line 109 by 20% below MAOP. PG&E shall maintain this pressure reduction until such time as the Commission allows PG&E to return the lines to normal operating pressure.

3. PG&E shall

reduce the operating pressure by 20% below MAOP for any additional transmission line segments located in HCAs that are found, through further investigation, to have experienced planned or unplanned events in which the segments experienced pressure greater than 110% of MAOP. PG&E shall maintain these pressure reductions until such time as the Commission allows PG&E to return the lines to normal operating pressure.

To the extent that there is a

reasonable possibility that any of the above ordered pressure reductions could

adversely impact service to core customers, PG&E will consult with the

Consumer Protection and Safety Division of the Commission concerning appropriate actions to address adverse customer

impacts. However, any action deemed

appropriate to address adverse customer impacts must be authorized by the

Commission or its President, pursuant to the authority vested in him by

the Commission.