



Brian K. Cherry
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February 4, 2011

Paul Clanon, Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

Re: Line 300B Pressure Event

Dear Mr. Clanon:

This letter is to notify you of a pressure event that occurred on February 1, 2011 on PG&E's Line 300B at the interconnection with the TransWestern interstate pipeline.

On February 1, 2011, pressure sensors on PG&E's system identified that a short section of 300B experienced a pressure of 727 psig on the intake side of the Topock compressor station, where PG&E's Line 300B interconnects with TransWestern pipeline. PG&E is investigating the incident. Initial indications suggest it was caused by actions on the TransWestern pipeline.

The pressure reading of 727 psig was one pound, or 10.15 percent, over the Maximum Allowable Operating Pressure (MAOP) of 660 psig on this line segment. The duration of this event was approximately 30 minutes. The portion of Line 300B that experienced the pressure event is a less than one-half mile-long segment located in a relatively remote area; however, it is considered under federal regulations to be a High Consequence Area (HCA) given its close proximity to the Topock compressor station.

PG&E has taken several immediate actions on Line 300B consistent with the CPUC's prior directives relating to segments that experience pressure more than 10 percent over the MAOP in HCAs. First, on February 3, 2011, PG&E reduced pressure by 20 percent on the affected section of Line 300B upstream of the Topock compressor station as well as within the suction side of the compressor station itself. Second, PG&E has completed a leak survey of the HCA segment and area impacted by this event, and found no leaks; PG&E continues to monitor this area for leaks. In addition to these actions, PG&E will conduct all tests necessary before restoring pressure to the original MAOP of 660 psig.

PG&E's action to reduce pressure by 20 percent will result in some modifications to Topock compressor station operations, but will not impact PG&E's customers.

Please do not hesitate to contact PG&E should you have any questions regarding this incident.

Paul Clanon
February 4, 2011
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Sincerely,

A handwritten signature in black ink, appearing to read "Brian Cherry". The signature is fluid and cursive, with a prominent initial "B" and "C".

Brian Cherry
Vice President, Regulatory Relations

cc: Michael R. Peevey, President
Mike Florio, Commissioner
Catherine Sandoval, Commissioner
Timothy A. Simon, Commissioner
Julie Fitch, Energy Division
Richard Clark, Consumer Protection Safety Division
Julie Halligan, Consumer Protection Safety Division
Frank Lindh, General Counsel
Harvey Y. Morris, Legal Division
Patrick S. Berdge, Legal Division
Joe Como, Division of Ratepayer Advocates