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March 10, 2011

Richard Clark, Director Consumer Protection & Safety Division California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102-3298

Re: March 3, 2011 Line 131 Pressure Event

Dear Mr. Clark:

By this letter PG&E corrects a typographical error in one of the pressure figures in our February 11, 2011 letter to you, and notifies you of a pressure event on Line 131 on March 3, 2011.

Pursuant to the directive of the California Public Utilities Commission (CPUC) on December 16, 2010, PG&E reduced operating pressure on Line 131 (between Milpitas and Irvington) to 20% below the Maximum Allowable Operating Pressure (MAOP) of 595 psig. Please note that PG&E's February 11, 2011 letter confirming this and other pressure reductions reported the 20% reduction as "467 psig;" the correct maximum pressure reflecting the 20% reduction on this section of Line 131 is 476 psig (80% of MAOP).

We also inform you that, on March 3, 2011, the pressure on Line 131 exceeded the new, lower Maximum Operating Pressure (MOP) for 17 minutes, experiencing a pressure of up to 504 psig (84.7% of MAOP). Initial indications suggest this was caused by a leaking regulator on Line 303, which is connected with Line 131, and the actions the operator took in response. Neither Line 131 nor Line 303 exceeded their MAOPs. PG&E has surveyed the affected areas of Line 131 and no leaks were found. PG&E is continuing to analyze the situation and is taking steps to implement safeguards to ensure it does not happen again.

Please do not hesitate to contact PG&E should you have any questions regarding this incident or would like further information.

Sincerely,

Brian K. Cherry

VP, Regulatory Relations

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cc: Paul Clanon, Executive Director
Julie Fitch, Energy Division
Julie Halligan, Consumer Protection Safety Division
Patrick S. Berdge, Legal Division