



National Transportation Safety Board

Washington, D.C. 20594

Office of the Chairman

MAR 14 2011

Mr. Christopher P. Johns
President
Pacific Gas and Electric Company
77 Beale Street
San Francisco, California 94105

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MAR 18 2011

CHRISTOPHER P. JOHN

Dear Mr. Johns:

Thank you for your February 2, 2011, letter, regarding Safety Recommendations P-10-2 through -4, stated below, which the National Transportation Safety Board (NTSB) issued to the Pacific Gas and Electric Company (PG&E) on January 3, 2011, as a result of the NTSB's investigation of the September 9, 2010, natural gas pipeline rupture that occurred in a residential area in the City of San Bruno, California. Safety Recommendations P-10-2 and -3 are urgent recommendations.

P-10-2

Aggressively and diligently search for all as-built drawings, alignment sheets, and specifications, and all design, construction, inspection, testing, maintenance, and other related records, including those records in locations controlled by personnel or firms other than Pacific Gas and Electric Company, relating to pipeline system components such as pipe segments, valves, fittings, and weld seams for Pacific Gas and Electric Company natural gas transmission lines in class 3 and class 4 locations and class 1 and class 2 high consequence areas that have not had a maximum allowable operating pressure established through prior hydrostatic testing. These records should be traceable, verifiable, and complete.

P-10-3

Use the traceable, verifiable, and complete records located by implementation of Safety Recommendation P-10-2 (Urgent) to determine the valid maximum allowable operating pressure, based on the weakest section of the pipeline or component to ensure safe operation, of Pacific Gas and Electric Company natural gas transmission lines in class 3 and class 4 locations and class 1 and class 2 high consequence areas that have not had a maximum allowable operating pressure established through prior hydrostatic testing.

P-10-4

If you are unable to comply with Safety Recommendations P-10-2 (Urgent) and P-10-3 (Urgent) to accurately determine the maximum allowable operating pressure of Pacific Gas and Electric Company natural gas transmission lines in class 3 and class 4 locations and class 1 and class 2 high consequence areas that have not had a maximum allowable operating pressure established through prior hydrostatic testing, determine the maximum allowable operating pressure with a spike test followed by a hydrostatic pressure test.

The NTSB is pleased with the following actions that PG&E is taking to implement these recommendations:

- PG&E's business lead for this records verification project reports directly to the Senior Vice President, Engineering and Operations.
- PG&E has retained numerous leading external partners to lend specialized expertise and significant additional resources to this process in the areas of document management, process controls, engineering, pipeline pressure calculations, and auditing.
- PG&E has leased new space to house the record verification operations and has built out space in its existing facilities to accommodate this activity.
- PG&E has collected hundreds of boxes of original records from over 20 field office and other locations across the service territory, and document scanning and indexing operations are proceeding 24 hours a day, 7 days a week.

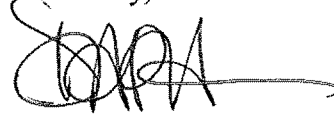
PG&E further reports it is using the scanned and indexed records to verify the completeness of pressure test records and other applicable records used to establish each line's maximum allowable operating pressure (MAOP) per industry standards and Federal code compliance. Over the next 6 weeks, PG&E will determine the total number of miles for which it has complete, verifiable, and traceable records of prior pressure tests, and will start the process of using all available verified records identified in the collection, scanning, and indexing process to compile a segment-by-segment pipeline features list. Where necessary, PG&E will perform excavations to verify pipeline features. In the end, as directed by the California Public Service Commission, the MAOP will be validated based on the weakest segment in the transmission pipeline sections of these Class 3 and 4 locations and Class 1 and 2 high consequence areas. In addition, PG&E reports it is taking all steps to ensure the safety and integrity of its gas pipeline systems, including verifying the underlying records of over 1,800 miles of pipeline by March 15, 2011.

Because these actions, when completed, should satisfy Safety Recommendations P-10-2 through -4, the recommendations are classified "Open—Acceptable Response."

Thank you for your prompt action. The NTSB would appreciate periodic updates as action continues to address these recommendations. If you would like to submit future updates

electronically rather than in hard copy, you may send them to the following e-mail address: correspondence@ntsb.gov. If a response includes attachments that exceed 5 megabytes, please e-mail us at the same address for instructions on how to use our secure mailbox. To avoid confusion, please use only one method of submission (that is, do not submit both an electronic copy and a hard copy of the same response).

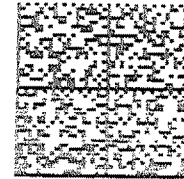
Sincerely,

A handwritten signature in black ink, appearing to read 'D. Hersman', with a long horizontal flourish extending to the right.

Deborah A.P. Hersman
Chairman

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OFFICE OF THE CHAIRMAN
WASHINGTON, D.C. 20594

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Mr. Christopher P. Johns
President
Pacific Gas and Electric Company
77 Beale Street
San Francisco, California 94105

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