

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the
Commission's Own Motion to Adopt
New Safety and Reliability Regulations
for Natural Gas Transmission and
Distribution Pipelines and Related
Ratemaking Mechanisms.

Rulemaking 11-02-019
(Filed February 24, 2011)

**CITY OF SAN BRUNO'S REPLY COMMENTS TO PROPOSED
DECISION DETERMINING MAXIMUM ALLOWABLE OPERATING
PRESSURE METHODOLOGY AND REQUIRING FILING OF NATURAL
GAS TRANSMISSION PIPELINE REPLACEMENT OR TESTING
IMPLEMENTATION PLANS**

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June 2, 2011

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I. DISCUSSION

On April 21, 2011 Pacific Gas and Electric Company ("PG&E") filed a "motion for adoption of Maximum Allowable Operating Pressure ("MAOP") validation methodology and request for order shortening time to respond" ("motion"). On April 28, 2011 the City of San Bruno (the "City") filed a response to PG&E's motion and respectfully asked this Commission to act consistent with the National Transportation Safety Board's ("NTSB") urgent recommendations P-10-2, P-10-3, and P-10-4 issued on January 3, 2011 and either not grant PG&E's motion, or at a minimum, order further engineering study to determine the appropriate timetable for establishing MAOP based on pressure testing or other state of the art engineering validation methodologies.

On May 10, 2011, Administrative Law Judge Mary Bushey issued a Proposed Decision and Order (“Proposed Decision and Order”) ordering interim requirements, PG&E institute a “replace or pressure test implementation plan,” and issued conclusions of law. Specifically, the Proposed Decision and Order directs PG&E to complete its MAOP determination “based on pipelines features and may use engineering-based assumptions” when complete records are unavailable. The Proposed Decision and Order also directs PG&E, *inter alia*, to draft a timeline for completion “as soon as practicable” interim safety enhancement measures, criteria on pipeline segments are identified for replacement, priority-ranked schedule for pressure testing pipeline that has not been previously tested, retrofitting pipeline, cost projections, and rate proposal.

As stated in the City’s Response filing, the critical path to establishing proper MAOP is clear and unambiguous and should be empirically based and not assumption based. The City continues to take this position and accordingly urges that the Proposed Decision and Order are appropriate and necessary to protect residents’ safety and that of residents throughout the State of California from the devastating damage that occurred partly based on assumptions. Except for The Greenlining Institute, the comments filed on behalf of the other parties did not address the urgency of Implementation Plan. Therefore, the City respectfully requests that the Implementation Plan include a timeline for completion that is urgent, not “as soon as practicable,” especially considering that Line 132 continues to carry high pressure gas through residential areas of San Bruno and other parts of the Peninsula.

II. CONCLUSION

Based on the foregoing, the City believes that the Proposed Order and Decision are appropriate and necessary considering the tragic outcome of the September 9, 2010 explosion and respectfully requests that the Implementation Plan include urgent and timely deadlines.

Respectfully submitted,

/s/ Steven R. Meyers

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June 2, 2011

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of Alameda; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is 555 12th Street, #1500, Oakland, California, 94607

I am readily familiar with the business practice of collection and processing of correspondence for mailing with the United States Postal Service. In the ordinary course of business, correspondence is deposited with the United States Postal Service the same day it is submitted for mailing.

On June 2, 2011 I served a true copy of:

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BY E-MAIL OR ELECTRONIC TRANSMISSION: serving the enclosed via e-mail transmission to each of the parties listed on the official service list (attached) for **R.11-02-019** with an email address.

BY MAIL: by placing the enclosed the document for collection and mailing, in the course of ordinary business practice, with other correspondence, enclosed in a sealed envelope, with postage fully prepaid, addressed to those parties listed on the official service list (see attached) for **R.11-02-019** without an email address.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed in Oakland, California on June 2, 2011.

/s/ Debra Inness
Debra Inness