

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company with Respect to Facilities Records for its Natural Gas Transmission System Pipelines.

I.11-02-016
(Filed February 24, 2011)

PREHEARING CONFERENCE STATEMENT

Legal Division submits this prehearing conference statement to raise matters that we suggest be discussed at the June 6, 2011 prehearing conference.

DISCOVERY AND ORGANIZATION OF DOCUMENTS

At the May 9, 2011 prehearing conference, the Legal Division made the request that PG&E be directed to provide the following information:

“PG&E must provide the following information and data as soon as deemed possible:

“Organize and produce, on a pipeline segment by pipeline segment basis, for each and all of PG&E's transmission pipelines, the following data and documents:

All as-built drawings, documents, photos

All pipe specifications, manufacturer's operating manuals, and instructions

All operating history of the pipe, including but not limited to pressure.

All maintenance and repair history of the pipe

All risk assessment done of the pipe”

After the last prehearing conference Legal Division and PG&E communicated both verbally and in writing about this data request. We have reached a tentative agreement that CPSD summarizes in this way. Legal Division will withdraw the data request above that PG&E provide a pipe by pipe organization of documents and data. Instead, PG&E will provide, on June 20, 2011, a detailed and comprehensive description of how and where documents are kept in each of the five categories in the data request. Legal Division understands that PG&E commits to providing a guide to the data and documents in sufficient detail so that document or data location, type (computer, hard copy) , document organization, retrievability, and all other important characteristics will be clear, specific, and accurate.

Legal Division concluded that, if it insisted on the data request, PG&E would spend months or years reorganizing its documents in the way requested in the data request. When our consultants review the documents (planned in August 2011) it is important that they review them as close as possible to the pristine organization that PG&E's documents were in prior to September 2010. In that way, our consultants can best and most accurately assess PG&E's recordkeeping as it existed before September 2010. We realized that if we had insisted on a pipeline by pipeline reorganization of data, the documents would not be organized and viewable in the same way they were before the San Bruno fire.

PG&E's recordkeeping is patently unsafe. Legal Division is mindful that achieving future PG&E gas safety depends on major changes in PG&E's recordkeeping. Safety is comprised of a number of interrelated factors. Technical recordkeeping is one of those factors. PG&E will never be able to achieve gas safety until it is able to quickly access, on a pipeline by pipeline basis, accurate and complete records in the categories listed in Legal Division's data request. For that reason, and because we are vitally concerned with achieving future PG&E safety, we request that the gas rulemaking proceeding be coordinated with this investigation, so that evidence from the investigation can be transferred efficiently and timely to the rulemaking. We will be prepared to discuss that matter at the prehearing conference.

**PG&E REQUEST FOR ADDITIONAL TIME FOR PARAGRAPH 7
RESPONSE**

PG&E has requested additional time to respond to the Commission's directive for PG&E to provide weld failure and flaw information. PG&E asks permission to provide the data on a rolling schedule from September 20, 2011 to sometime at the end of 2012.

PG&E's request itself demonstrates just how abysmal its recordkeeping is. PG&E is required by law to consider weld defects and failures for its pipeline integrity program. However, if PG&E needs more time to gather and organize documents that should be at hand to achieve safety, Legal Division does not object to a request for more time. If PG&E certifies that it can not provide the data in the time set.

We do object to certain elements of PG&E's motion, and will be prepared at the prehearing conference to discuss our points. They pertain to PG&E's definitions of weld failure and flaw documents, and to PG&E's definition of the weld failures themselves

SCHEDULE

Legal Division is in the process of retaining document experts for this proceeding. Legal counsel has also been added to the team. For those reasons we will be able to discuss a realistic schedule at the prehearing conference.

Respectfully submitted,

/s/ ROBERT CAGEN

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