

From: Cooke, Michelle
Sent: 7/21/2011 2:59:48 PM
To: Horner, Trina (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=TNHC); Van Pelt, Gregory (GVanPelt@caiso.com)
Cc:
Bcc:
Subject: FW: PG&E gas operations - Who are we trying to find?

Thoughts?

From: Clanon, Paul
Sent: Thursday, July 21, 2011 2:44 PM
To: MDay; Cooke, Michelle; Myers, Richard A.
Cc: MDay
Subject: Re: PG&E gas operations - Who are we trying to find?

Michelle and Rich are the right people for sure.

On Jul 21, 2011, at 2:27 PM, "MDay" <MDay@goodinmacbride.com> wrote:

Paul,

To clarify my earlier requests, we are trying to find the right folks at the Commission to talk with about some of [Redacted] concerns related to how PG&E is implementing pressure reductions on its system while it explores the appropriate MAOPs for various portions of its system. The utility has imposed high/low Operational Flow Orders (OFOs) and it has increased its use of automatic shut off valves set to close at fixed pressure limits, among other techniques.

We have several concerns. First, PG&E has frequently increased pressure on the interconnection line owned by [Redacted] so that it can deliver more gas to [Reda] and get the gas off its system, thereby lowering pressures on Line 400/401. However, when the automatic shut off valves are activated by high pressure, that prevents the [Redact] from taking more gas off the system. It seems to us that if this process were actively managed through consultations between PG&E and [Redac] it would be possible to take more gas off PG&E and further reduce operating pressures.

In addition, we have been told that the CPUC, CAISO and some generators are working with PG&E to provide some "flexibility" to the generators in complying with PG&E's operational restrictions. [Redac] as well as the other independent storage operators, is very closely linked to the gas demands of the generators. We have noticed a significant increase in last minute nominations for injections and withdrawals from generators as they have to actively manage their gas supplies to conform to PG&E's tighter restrictions. [Reda] believes that it should also be included in these consultations, in order to allow the storage operator's perspective to be considered, and to help optimize the efforts to meet generators' needs while addressing the operational work that PG&E has to undertake to meet its commitments to the Commission re the safety of its system.

So....I spoke with Richard Myers, who suggested I also contact Michelle Cooke. I have left a voicemail for Michelle. If you know of other people we should contact, particularly regarding these interagency/generator talks with PG&E, we would be very appreciative.

Call me if you have any questions.

Mike Day

Michael B. Day

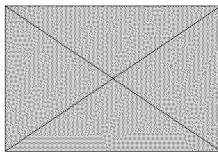
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