

**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 RESPONSE TO PACIFIC GAS AND ELECTRIC
COMPANY'S MOTION FOR DELEGATION OF AUTHORITY TO THE
EXECUTIVE DIRECTOR AND ADOPTION OF A PROCEDURE TO
OBTAIN AUTHORIZATION TO RESTORE OPERATING PRESSURE**

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I. INTRODUCTION

Pursuant to Rule 11.1, the City of San Bruno ("City") submits this response to the motion filed by Pacific Gas and Electric Company ("PG&E") on July 11, 2011 entitled "Pacific Gas and Electric Company's Motion for Delegation of Authority to the Executive Director and Adoption of a Procedure to Obtain Authorization to Restore Operating Pressure." In its motion, PG&E asked the California Public Utilities Commission (the "Commission") to delegate authority to the Commission's Executive Director to approve "restoration" of operating pressure of several pipelines within its service territory.

II. DISCUSSION

The City respectfully objects to PG&E's motion. It is the City's position that the decision to "restore" operating pressure should be analyzed by independent experts and considered in the context of a public hearing in light of the significant public interest in this issue and the deep concerns that have come to light in the aftermath of the explosion in San Bruno that took eight lives and injured numerous victims. This tragic incident has demonstrated that the culture of safety and pipeline integrity management at PG&E was, and remains, lax. The residents of San Bruno and the Peninsula live in high consequence areas ("HCAs") and next to Lines 132¹, 101, and 109. Rightfully, their concerns about restoring operating pressure and its impact on public safety should be independently evaluated and heard in a public forum.

Any decision to restore operating pressure should be fully vetted and analyzed by the full Commission, as well as independent experts. Their combined input and expertise is invaluable especially considering the fact that restoring operating at this time could put public safety further at risk. It is not the place of the Office of the Executive Director to unilaterally permit an increase to operating pressure. Increasing operating pressure could still be potentially unsafe in light of the Commission's recent findings about PG&E's operations on every level. This important decision is simply not the type that should be delegated especially in light of the tragic circumstances that precipitated the pressure reduction in the first place.

¹ The City understands that PG&E excluded Line 132 from its motion.

PG&E also urges the Commission to delegate and streamline the approval process to restore operating pressure based on alleged service demands. In its motion, PG&E explained that it needs to “restore pressure on several of these lines before winter.” However, there is no proof offered by PG&E that it cannot provide its customers with adequate service due to the current 20% decrease in operating pressure. PG&E provided utility services this past winter in 2010 to its customers without increasing operating pressure on the impacted lines. Public safety is more important than increased costs and systems balancing required of PG&E when providing gas utility services to its customers.

Even though the substantive issues relating to restoring operating pressure are not addressed in PG&E’s motion, it is premature at this time to allow PG&E to restore operating pressure. First of all, the National Transportation Safety Board (“NTSB”) has not issued its final accident report. A second issue is the pressure test records themselves. According to PG&E, the tests were "located" pursuant to the “Maximum Allowable Operating Pressure Validation Project” and PG&E subsequently issued a status report to the Commission as recent as July 11, 2011.² The filing merely has summaries of the locations and mileages of tests performed. It is the City’s position that the City and public have a right to know the results themselves *prior* to allowing the Executive Director or anyone else to raise operating pressure. The City should have the right, based on the totality of the circumstances, to read and review the test records for the transmission lines that currently run through San Bruno. The City should be allowed

² <http://docs.cpuc.ca.gov/efile/REPORT/139412.pdf>

the opportunity, at a minimum, to review the test records to ascertain if they truly are valid and provide some degree of safety to our residents.

III. CONCLUSION

It is the City's position that the decision to "restore" operating pressure should be discussed and analyzed in a meaningful manner. With all due respect to the Office of the Executive Director of the Commission, the City finds unavailing the argument that it has the capacity, knowledge and skill to make this critical judgment call. At a minimum, this decision should be considered by the full Commission following reports from independent experts. This process should take place in a public hearing so that the public can give additional evidence to the Commission on this important safety issue.

Respectfully submitted,

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