

**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.

R. 11-02-019
(Filed February 24, 2011)

**RESPONSE OF THE CITY AND COUNTY OF SAN FRANCISCO
TO PACIFIC GAS AND ELECTRIC COMPANY'S MOTION REGARDING
AUTHORIZATION TO INCREASE OPERATING PRESSURE**

Pursuant to Rule 11.1 of the Commission's Rules of Practice and Procedure, the City and County of San Francisco (City) submits this 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," which was filed on July 11, 2011.

The City appreciates Pacific Gas and Electric Company's (PG&E) efforts to ensure reliable service to all of its gas customers. The City does not have information regarding how quickly PG&E will need to make decisions about the increase of pressure on the lines where the Commission has ordered pressure to be reduced or how frequently such circumstances are likely to arise. For this reason, the City does not take a position on whether the Commission should approve the delegation of authority requested by PG&E, however, the City identifies below several modifications that the Commission should adopt if it grants this motion.

1. PG&E's Requests to Increase Pressure Should be Public

First, any request by PG&E to increase pressure should be served on the parties to this proceeding and on safety officials in the jurisdictions where the affected pipe segments are located. Likewise, communications from the Executive Director and the Consumer Protection and Safety Division (CPSD) to PG&E related to the request, including any approvals, should be served on parties and local officials.

PG&E's motion notes that it has not proposed to include Line 132 in the procedures requested by this motion because, in part, it recognizes that "in light of the San Bruno accident, any decision on restoring pressure on Line 132 should be open to public participation." (Motion at 2) This same rationale should apply to requests to increase pressure on other lines as well. As a result of the San Bruno tragedy, information about PG&E's gas pipeline operations—including recordkeeping, pressure testing, and operating pressures—has become public and created a heightened awareness of the risks posed by gas transmission pipelines among public officials and citizens. These are matters of public safety and there is no basis for not considering them in public. The Commission's orders to reduce pressure, whether through letters from the Executive Director or Commission decisions, were public documents; PG&E's requests to increase pressure, along with documentation supporting the requests, should also be public.

2. PG&E Should be Required to Describe the Steps It Has Taken to Make the Pipeline Segment Safe at the Higher Pressure Requested

PG&E identifies the information it would provide to support a request to increase pressure, including "other information the Commission deems necessary and appropriate." (Motion at 4-5) This information should include a description of the steps PG&E has taken to make the pipe segment safe at the increased pressure level requested by PG&E. This information was identified in the Commission's December 16, 2010 letter as part of the information PG&E should submit to support a request to increase the pressure on the lines addressed in that letter. This information should be required for all requests to increase pressure

on any of the lines covered by PG&E's motion. The goal of all of the Commission's efforts in this proceeding is to ensure the safety of gas transmission pipelines; in that context it is reasonable for PG&E to explain why it believes the pipe segment can be operated safely at the increased pressure it is requesting. Likewise, CPSD and the Executive Director should verify that PG&E has provided all information needed to ascertain that the pipe segment has been tested and operated in accordance with the law and in a manner that makes the segments safe for operating at the increased pressure requested.

3. The Commission Should Not Allow Any Ambiguity as to the Circumstances Where the Delegation of Authority May Be Used

Third, the language of PG&E's motion is ambiguous in at least two ways. One is the statement that complete pressure test records will be the "primary" measure for whether to increase operating pressure. (Motion at 4) This begs the question as to what other measures may be used. The Commission should not allow ambiguity on this point and should limit the authority granted to those cases where a complete set of pressure test records is produced.

The second ambiguity is the statement in the last paragraph that this is "not the exclusive procedure by which PG&E can obtain authorization to restore operating pressure." (Motion at 5) The next sentence states that there may be "unique reasons or emergency circumstances" which lead PG&E and Commission staff to agree on a "different approach." The Commission should not authorize "different approaches" in this manner or at this time. The delegation of authority requested by PG&E in this motion should be limited to the specific cases where complete pressure test records are provided.

Respectfully submitted,

DENNIS J. HERRERA
City Attorney
THERESA L. MUELLER
AUSTIN M. YANG
Deputy City Attorneys

By: _____/S/
Theresa L. Mueller

Attorneys for:
CITY AND COUNTY OF SAN FRANCISCO
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4682
Telephone: (415) 554-4640
Facsimile: (415) 554-4763
E-Mail: theresa.mueller@sfgov.org

July 26, 2011