

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
Rate-making Mechanisms.

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

**COMMENTS OF DIVISION OF RATEPAYER ADVOCATES ON
PROPOSED DECISION ADOPTING PROCEDURE FOR LIFTING
OPERATING PRESSURE RESTRICTIONS**

I. INTRODUCTION

In accordance with Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), the Division of Ratepayer Advocates ("DRA") hereby submits its comments regarding the proposed decision ("PD") of Administrative Law Judge Bushey adopting procedures for lifting operating pressure restrictions.

DRA supports the PD. The PD denies Pacific Gas and Electric Company's ("PG&E") motion to delegate authority to the Commission's Executive Director to approve requests to lift operating pressure limitations; instead, the PD adopts an expedited hearing process for the Commission to consider such requests.¹ DRA agrees that "the process to review such a request must be public and thorough, but expedited to the extent possible."²

¹ Rulemaking 11-02-019, Proposed Decision of ALJ Bushey, Decision Adopting Procedure for Lifting Operating Pressure Restrictions ("PD"), Aug. 9, 2011, p.1.

² PD, p.9.

II. COMMENTS

A. The PD Sets Forth A Reasonable Approach For Commission Consideration Of Requests To Lift Operating Pressure Limitations

The PD establishes a two-track process to examine PG&E's requests for lifting operating pressure restrictions: (1) the PD adopts procedural and substantive requirements that apply to PG&E's request regarding Line 300B and the suction side of the Topock compressor, and (2) the PD requires PG&E to submit a comprehensive timeline for anticipated future requests to enable the Commission to develop a process for consideration of those requests.

The PD's proposed approach enables timely decisions and addresses the need for thorough scrutiny of the evidence to confirm that operating pressure restrictions can be safely lifted and pipelines safely returned to a higher Maximum Allowable Operating Pressure, as well as the need for a more public evaluation process particularly given the intense public interest in PG&E's pipeline related activities. In the first track, the PD prioritizes consideration of PG&E's request to obtain authorization to increase operating pressure on Line 300B and the suction side of the Topock compressor in order "to avoid adverse impacts for [PG&E's] customers as well as Southern California Gas Company," and adopts a 24-day process to review the relevant pressure test results and other information.³ In the second track, the PD addresses future requests to increase operating pressure on other segments.⁴ The process for evaluating such requests could evolve, as the PD indicates that the procedural approach in the second track will be "[b]ased on the experience gained from implementing [the first track] process and ... PG&E's timetable and plan for submitting future such requests."⁵ The PD's hearing process places the responsibility on PG&E to present evidence necessary to support its request for lifting the

³ PD, pp.9-10.

⁴ PD, pp.8-9.

⁵ PD, p.12.

operating pressure restrictions, and enables public input and expert assessment of the information submitted by PG&E.

B. PG&E Should Be Required To Provide Additional Information In Support Of Requests To Lift Operating Pressure Limitations

The PD adopts substantive requirements for the supporting information that PG&E is directed to include in its request to lift operating pressure restrictions on Line 300B and the suction side of the Topock compressor station.⁶ The PD envisions that this information “will be the minimum requirements for future such filings.”⁷ DRA recommends that PG&E be required to include additional information to provide a more complete picture of the characteristics of the line at issue. DRA’s proposed additions are underscored below.

Supporting Information for Request to Lift Operating Pressure Limitation

1. Name/Number of Segment, general description, location, length of segment, and percent specified minimum yield strength (SMYS) at MAOP. PG&E should include confirmation that this information has been verified to be correct.
2. Reason for MAOP reduction.
3. Identify all the types of pressure tests performed and provide the complete Pressure Test Results for each segment where a pressure increase will occur. Provide a summary of test results that identifies any segment that showed leaks or other problems, any segments that had to be replaced, any segments that had to be repaired, any segments that had to be re-tested, and any other significant findings for the segments of the line. Identify actions taken by PG&E for each of these segments and indicate whether PG&E’s further examination considers the problem as resolved based on the actions taken.
4. Provide the historical operating pressures of the line since it was put in service, including the MAOP for the Line prior to the pressure reduction.

⁶ PD, pp. 11-12, Ordering Paragraph 4.

⁷ PD, p.11.

5. Proposed MAOP and proposed effective date. State whether PG&E plans to operate the line or any segment of the line at no higher than this proposed MAOP.
6. Safety Certification. Verified statement from the PG&E Officer responsible for gas system engineering that:
 - a. PG&E has validated pipe construction;
 - b. PG&E has reviewed hydro test results and can confirm that a strength test in accord with 49 CFR Part 192, subpart J was performed on the segment; and
 - c. in his/her professional judgment the system is safe to operate at the proposed MAOP.
7. Concurrence of the Commission's Consumer Protection and Safety Division.

With the suggested additions, DRA agrees that the above list should comprise the minimum requirements for supporting information to be included in requests to lift an operating pressure limitation.

III. CONCLUSION

DRA appreciates this opportunity to comment on the PD, and respectfully recommends that the Commission adopt the PD with DRA's proposed additions to the Supporting Information requirements.

Respectfully submitted,

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