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)

REPORT OF PACIFIC GAS AND ELECTRIC COMPANY ON STATUS OF HYDROSTATIC PRESSURE TESTING AS OF JULY 30, 2011

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Dated: August 1, 2011

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REPORT OF PACIFIC GAS AND ELECTRIC COMPANY ON STATUS OF HYDROSTATIC PRESSURE TESTING AS OF JULY 30, 2011

Pacific Gas and Electric Company ("PG&E") hereby provides a status update as of July 30, 2011, on PG&E's ongoing hydrostatic pressure testing efforts.

On June 9, 2011, the California Public Utilities Commission ("CPUC" or the "Commission") issued Decision No. 11-06-017, *Decision Determining Maximum Allowable Operating Pressure Methodology and Requiring Filing of Natural Gas Transmission Pipeline Replacement or Testing Implementation Plans*. Decision No. 11-06-017 directs PG&E to continue its efforts to perform hydrostatic testing of 152 miles of pipeline in 2011. (D.11-06-017, at p. 19.)

During the pre-hearing conference on June 2, 2011, PG&E agreed to provide monthly status reports on the status of its hydrostatic testing efforts. On June 16, 2011, assigned Commissioner Florio issued a Scoping Memo and Ruling directing PG&E to file the first such report by June 30, 2011 and at 30-day intervals thereafter.[1] (See Ordering Paragraph 5.)

[1] Since the 30-day interval of the current report (July 30) falls on a Saturday, pursuant to Rule 1.15 of the Commission's Rules of Practice and Procedure PG&E is filing its July 30 report on Monday, August 1.

I. UPDATE ON STATUS OF HYDROSTATIC TESTS

Appendix A is a detailed spreadsheet listing the status and schedule as of July 30, 2011 for all hydrostatic tests planned for 2011. Appendix A provides an overview of the major milestones for each project, whether pipeline replacement or hydrostatic test, from construction mobilization to clearance to pipeline tie-in. Appendix A also lists the hydrostatic tests that have been completed successfully, the pipeline sections that were cut out and replaced, and the pipeline sections for which complete strength test pressure reports have been verified since March 15, 2011, when PG&E filed its proposal to hydro test or replace 152 miles of pipe in 2011.

As of July 30, 2011, PG&E has completed hydrostatic tests and returned those sections to service for 15 test sections[2] and replaced 1 test section,[3] totaling 17.46 miles. In addition, complete strength test pressure records have been verified for 17 test sections,[4] which represent over 19.8 miles. In total, 37.31 of the 152 transmission pipeline miles have been tested, replaced, or have had strength test pressure records verified.

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[2] A test section is considered complete when all sub-sections have been hydrostatically tested and returned to service. The following tests have been completed and the pipe has been returned to service: T-40 Line 132 A in Mountain View, T-41 Line 132A in Mountain View, T-96 Stanpac 5 in Antioch, T-11 Line 105N in Newark, T-02 Line 101 in San Jose, T-03 Line 101 in Santa Clara, T-51 and T-52 Line 300A in San Bernardino County near Newberry Springs, T-77 Line 300B in San Bernardino County near Newberry Springs, T-62 and T-63 Line 300A near Avenal, T-85 Line 300B in Fresno County, T-45 Line 153 in Union City (July), T-46 Line 153 in Hayward (July), and T-84 Line 300B in Kettleman City (July). The following hydrostatic tests have been completed but the pipeline is still out of service and is not considered a completed section: T-36 Line 132 South San Francisco, T-44 Line 153 in Fremont (July), T-70 and T-71 Line 300A in San Jose (July), and T-47A Line 153 in San Leandro (July). In addition, the following test has been completed but represents only a subset of an entire section: T-25A Line 132 in Santa Clara.

[3] The following small replacement has been completed and the pipe returned to service: T-23 Line 131 in Milpitas.

[4] Hydrostatic test records have been verified for the following test sections: T- 1 Line 21A in Sonoma County, T-4 Line 101 in Mountain View, T-6 Line 101 in Millbrae, T-8 Line 105A in Albany, T-12 Line 105N in Hayward, T-18 Line 107 in Livermore, T-21 Line 131 in Fremont, T-50 Line 300A in Topock, T-58, T-59 and T-61 Line 300A in Kern County, T-66 Line 300A in Hollister, T-91 Line 301G in Hollister, T-95 Stanpac 3 in Concord, T-97 Line 0821-01 in San Jose, T-113 Line 101 in Mountain View, T-111 Line 153 in Newark (July), and T-88 Line 300B in San Martin. In addition, the amount of pipe to be tested for several tests has been shortened due to verified records including T-15, T-69N, T-70 and T-80.

All of the hydrostatic tests that PG&E has completed through July 30, 2011 have been successful with no pipeline leaks.

Progress in July was slowed due to the pressure reductions that occurred on Line 300 in early July as a result of the class location analysis. Several tests on Line 300 were delayed until system operations and shippers were accustomed to the lower pressure and ready to handle the impact of a hydrotest outage.

In the month of August 2011, PG&E may conduct up to 20 hydrostatic tests. Schedules for each test may change based on test-specific situations and delays due to system-related issues. The hydrostatic testing of approximately 150 miles of pipeline requires a very aggressive schedule. PG&E has experienced some schedule slippage due to gas system availability, including pressure reductions on its gas transmission system, as well as permit delays, limited access to land to accommodate water tanks, and water handling issues. The test schedule has also been adjusted to accommodate complex permitting issues relating to environmentally sensitive areas and endangered species. While we continue to make progress in resolving the permitting issues, PG&E remains concerned that these issues may cause delays in testing.

PG&E would like to thank the many permitting agencies and municipalities who have worked cooperatively to issue the necessary permits on expedited schedules. The PG&E team is working hard to get ahead of the testing schedule to facilitate permitting on a more normal timeline. Above all, PG&E's first priorities are and will continue to be safety and quality in performing this work.

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II. CONCLUSION

PG&E remains committed to operating and maintaining its gas transmission pipeline system safely and reliably. The information PG&E is gathering through ongoing hydrostatic tests are important components of our goal of improving our overall system performance and safety.

Respectfully Submitted,

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Dated: August 1, 2011

APPENDIX A

Appendix A to Report of PG&E on Status of Hydrostatic Pressure Testing as of July 30, 2011
PG&E Hydrostatic Test Program Schedule

Test	Line No.	M.P.1	M.P.2	Mileage Contributing to 152 Mile Goal	City	Contractor Mobilization	Clearance	Hydrotest	Tie-In	Results
T-40	L-132A	0.0057	1.4589	0.812	Mountain View	04/26/11 A	05/03/11 A	05/09/11 A	05/25/11 A	Tested successfully
T-41	L-132A	1.4589	1.4659	0.000	Mountain View	04/26/11 A	05/03/11 A	05/09/11 A	05/25/11 A	Tested successfully
T-96A (E)	SP5	0	2.4	2.401	Oakley	04/28/11 A	05/09/11 A	05/16/11 A	05/27/11 A	Tested successfully
T-96B (W)	SP5	2.4	3.87	0.654	Antioch	04/28/11 A	05/09/11 A	05/19/11 A	05/27/11 A	Tested successfully
TV-23	L-131	57.46	57.47	0.011	Milpitas	05/24/11 A	05/25/11 A	NA	05/25/11 A	Tested successfully
T-11	L-105N	11.07	11.86	0.832	Newark	05/11/11 A	05/31/11 A	06/05/11 A	06/12/11 A	Validation dig completed
T-02	L-101	2.45	2.65	0.104	San Jose	05/23/11 A	06/01/11 A	06/04/11 A	06/11/11 A	Tested successfully
T-03	L-101	3.39	3.4775	0.077	Santa Clara	05/23/11 A	06/01/11 A	06/07/11 A	06/11/11 A	Tested successfully
T-51	L-300A	121.8722	122.6788	0.399	Newberry-Baker	05/20/11 A	06/02/11 A	06/08/11 A	06/12/11 A	Tested successfully
T-52	L-300A	127.0327	127.9306	0.899	Newberry Springs	05/20/11 A	06/02/11 A	06/06/11 A	06/12/11 A	Tested successfully
T-77	L-300B	126.883	127.4994	0.596	Newberry Springs	06/04/11 A	06/13/11 A	06/16/11 A	06/21/11 A	Tested successfully
T-25A	L-132	3.05	4	0.798	Santa Clara	06/06/11 A	06/14/11 A	06/19/11 A	06/22/11 A	Tested successfully
T-45	L-153	9.2	13.62	3.960	Union City	06/03/11 A	06/16/11 A	06/29/11 A	07/11/11 A	Tested successfully
T-46	L-153	13.62	17.6	3.979	Hayward	06/04/11 A	06/16/11 A	07/09/11 A	07/14/11 A	Tested successfully
T-62	L-300A	345.02	345.2571	0.279	Kettleman City	06/16/11 A	06/21/11 A	06/26/11 A	06/30/11 A	Tested successfully
T-63	L-300A	353.56	353.85	0.319	Avenal/Kettleman City	06/16/11 A	06/21/11 A	06/24/11 A	06/30/11 A	Tested successfully
T-85	L-300B	384.2827	384.8438	0.560	Cantua Creek	06/18/11 A	06/22/11 A	06/28/11 A	06/30/11 A	Tested successfully
T-84	L-300B	353.5369	354.3115	0.781	Kettleman City/Avenal	06/29/11 A	07/18/11 A	07/22/11 A	07/26/11 A	Tested successfully
T-44	L-153	0	3.58	3.616	Fremont	07/12/11 A	07/18/11 A	07/29/11	08/08/11	
TV-47A	L-153	17.65	20.07	2.375	San Leandro	06/30/11 A	07/19/11 A	07/28/11 A	08/02/11	
T-70	L-300A	490.47	490.63	0.041	San Jose	07/12/11 A	07/20/11 A	07/25/11 A	08/07/11	
T-71	L-300A	490.66	493.59	2.743	San Jose	06/28/11 A	07/20/11 A	07/29/11	08/07/11	
T-72	L-300A	493.59	495.86	2.279	San Jose	06/23/11 A	07/20/11 A	07/30/11	08/07/11	
T-73	L-300A	496.36	499.96	3.305	San Jose	07/12/11 A	07/20/11 A	08/01/11	08/07/11	
T-74	L-300A	499.96	502.24	1.075	Milpitas	07/12/11 A	07/20/11 A	08/03/11	08/07/11	
T-20	L-131	42.35	42.38	0.025	Sunol	07/14/11 A	07/22/11 A	07/26/11 A	07/30/11	
T-29	L-132	10.32	13.95	2.698	Mountain View	TBD	08/03/11	08/10/11	08/13/11	
T-60	L-300A	256.22	257.0763	0.859	Arvin	07/29/11	08/05/11	08/12/11	.	
T-28	L-132	8.54	10.32	1.429	Mountain View	07/12/11 A	08/08/11	08/15/11	08/18/11	
T-27	L-132	7.1	8.54	1.421	Sunnyvale	08/07/11	08/19/11	08/25/11	08/29/11	
T-89N	L-300B	489.3301	490.915	4.613	San Jose	08/02/11	08/10/11	08/14/11	08/25/11	
T-89S	L-300B	484.0126	484.7235		San Jose	08/02/11	08/10/11	08/12/11	08/25/11	
T-90A	L-300B	490.96	493.86	9.330	San Jose	08/02/11	08/10/11	08/16/11	08/25/11	
T-90B	L-300B	493.86	496.35		San Jose	08/02/11	08/10/11	08/20/11	08/25/11	
T-90C	L-300B	496.35	499.26		San Jose	08/02/11	08/10/11	TBD	08/25/11	
T-90D	L-300B	499.26	502.51		San Jose	08/02/11	08/10/11	TBD	08/25/11	
T-10	L-105C	0	1.76	1.568	Oakland	08/01/11	08/12/11	08/19/11	08/21/11	
T-30	L-132	13.95	18.4621	4.479	Palo Alto	08/04/11	08/14/11	08/21/11	08/23/11	
T-33	L-132	29.05	30.9595	1.801	San Mateo/Belmont	08/08/11	08/15/11	09/01/11	09/12/11	
T-34	L-132	30.9595	34.49	2.653	San Mateo/Hillsborough	08/08/11	08/15/11	09/08/11	09/12/11	
T-81	L-300B	256.66	257.5096	0.849	Arvin	08/03/11	08/17/11	08/22/11	09/05/11	
T-80	L-300B	237.49	240.56	0.510	Tehachapi	08/08/11	08/17/11	08/25/11	09/05/11	
T-82	L-300B	263.46	264.64	0.909	Bakersfield	08/10/11	08/17/11	08/29/11	09/05/11	
T-76	L-300B	0.1548	0.459	0.312	Barstow/Topock	08/08/11	08/20/11	08/25/11	08/30/11	
T-07	L-105A	38	41	2.155	Emeryville	08/09/11	08/23/11	09/04/11	09/08/11	
T-31	L-132	18.4621	23.1638	2.497	Menlo Park	08/10/11	08/24/11	08/31/11	09/04/11	
T-87A	L-300B	450.8	451.72	1.138	Hollister/ Tres Pinos	08/12/11	08/26/11	TBD	09/07/11	
T-87B	L-300B	450.33	450.43	1.138	Hollister/ Tres Pinos	TBD	TBD	TBD	TBD	
T-87C	L-300B	445.73	446.06	1.138	Hollister/ Tres Pinos	08/12/11	08/26/11	TBD	09/07/11	
T-09	L-105A-1	0	0.004	0.004	Emeryville/Oakland	08/09/11	08/26/11	NA	08/28/11	
T-15	L-105N	27.94	28.13	0.196	San Leandro	08/18/11	09/01/11	09/06/11	09/09/11	
T-98	1816-01	0	1.19	0.000	Watsonville	08/19/11	09/02/11	09/08/11	09/12/11	
T-99	1816-01	1.19	1.53	0.000	Watsonville	08/19/11	09/02/11	09/10/11	09/14/11	
T-100	1816-01	1.53	3.4394	0.000	Watsonville	08/19/11	09/02/11	09/13/11	09/16/11	
T-101	1816-01	3.4394	8.44	0.000	Watsonville	08/19/11	09/02/11	09/15/11	09/17/11	
T-26	L-132	4.92	7.1	2.129	Sunnyvale	08/22/11	09/06/11	09/11/11	09/16/11	
T-16	L-105N	28.13	28.64	0.508	Oakland	08/29/11	09/12/11	09/16/11	09/20/11	
TV-35	L-132	34.49	38.39	0.937	Burlingame	08/27/11	09/13/11	09/24/11	09/30/11	
TV-37	L-132	43.6131	46.59	1.374	South San Francisco	08/31/11	09/14/11	09/30/11	10/03/11	
T-19	L-114	16.51	16.5736	0.061	Brentwood	09/02/11	09/16/11	NA	09/20/11	
T-25B	L-132	4.29	4.92	0.581	Santa Clara/Sunnyvale	09/06/11	09/17/11	09/22/11	09/27/11	
T-65A	L-300A	450.37	450.4	0.490	Hollister	08/26/11	09/18/11	TBD	09/30/11	
T-65B	L-300A	445.71	446.16	0.490	Hollister	08/26/11	09/18/11	TBD	09/30/11	
T-83	L-300B	286.3162	286.9185	0.600	Bakersfield/Rosedale	09/06/11	09/19/11	09/23/11	09/26/11	
T-43A	L-147	1.1321	2.2	0.440	San Carlos	09/06/11	09/19/11	09/23/11	09/27/11	
T-43B	L-147	2.2	3.4	0.000	San Carlos	09/06/11	09/19/11	09/26/11	09/29/11	
T-42	L-147	0.17	1.1321	0.520	South Coastside	09/06/11	09/19/11	09/28/11	09/30/11	
TV-22	L-131	50.57	54.91	3.283	Fremont	09/07/11	09/21/11	10/04/11	10/09/11	
TV-17	L-105N	28.64	30.63	1.941	Oakland	09/12/11	09/26/11	10/05/11	10/08/11	
T-75	L-300A-1	156.4	157.0092	0.613	Barstow	09/14/11	09/27/11	10/05/11	10/10/11	
T-53	L-300A	150.2625	151.06	0.787	Barstow	09/13/11	09/27/11	10/01/11	10/04/11	
T-54A	L-300A	151.066	156.4	4.027	Barstow	09/13/11	09/27/11	10/03/11	10/06/11	
T-54B	L-300A	151.066	156.4	4.027	Barstow	09/13/11	09/27/11	10/03/11	10/06/11	
T-57	L-300A	181.4458	188.4084	1.468	San Bernardino	TBD	TBD	TBD	TBD	
T-55	L-300A	156.4	159.33	1.750	Barstow/Lenwood	09/13/11	09/27/11	10/05/11	10/10/11	
TV-36A	L-132	40.0837	42.34	1.667	San Bruno	05/18/11 A	05/23/11 A	06/09/11 A	TBD	
TV-36B	L-132	42.34	43.6131	1.269	San Bruno	05/18/11 A	05/23/11 A	06/13/11 A	TBD	
T-38	L-132	46.92	48.44	0.300	San Francisco	06/22/11 A	TBD	TBD	TBD	
T-39B	L-132	49.98	51.5	0.034	San Francisco	TBD	TBD	TBD	TBD	
T-86	L-300B	414.7728	416.7896	0.914	Paicines	08/05/11	10/01/11	TBD	10/12/11	
T-64	L-300A	414.5727	416.6196	1.053	Paicines	TBD	TBD	TBD	09/17/11	
T-24	L-132	0.7426	1.87	0.861	Milpitas	09/19/11	10/03/11	10/06/11	10/07/11	
T-93A	L-400-3	295.9127	299.91	0.868	Antioch	09/19/11	10/03/11	10/08/11	10/11/11	
T-49	L-191	6.4753	9.44	2.842	Pittsburg	09/26/11	10/10/11	10/14/11	10/17/11	
T-56N	L-300A	159.33	160.1392	0.808	Barstow	09/13/11	10/11/11	10/15/11	10/19/11	
T-56S	L-300A	159.33	160.1392	0.808	Barstow	09/13/11	10/11/11	10/15/11	10/19/11	
T-69S	L-300A	485.1414	487.78	2.017	San Jose	09/28/11	10/14/11	TBD	10/25/11	
T-68	L-300A	480.9574	483.7391	1.131	Morgan Hill	09/28/11	10/14/11	10/17/11	10/25/11	
T-67	L-300A	472.1279	478.0014	5.843	San Martin	09/28/11	10/14/11	10/20/11	10/25/11	
T-112	L-191	9.44	10.57	1.093	Pittsburg	10/04/11	10/18/11	10/21/11	10/22/11	
T-78	L-300B	143.246	144.24	0.827	Daggett	10/04/11	10/18/11	10/22/11	10/26/11	
T-79A	L-300B	149.33	160.88	3.967	Barstow	10/04/11	10/18/11	10/25/11	10/28/11	
T-79B	L-300B	149.33	160.88	3.967	Barstow	10/04/11	10/18/11	10/25/11	10/28/11	
TV-47B	L-153	20.07	22.87	0.586	San Leandro	TBD	TBD	TBD	TBD	
T-109	L-148	0	17.63	0.000	Modesto	09/26/11	10/24/11	10/28/11	10/31/11	
T-1	21A	24.49	24.58							Records Verified
T-4	101	9.7584	10							Records Verified
T-6	101	32.1685	32.1715							Records Verified
T-8	105A	44.56	46.91							Records Verified
T-18	107	30.1954	32.16							Records Verified
T-61	300A	268.9522	269.5336							Records Verified
T-91	301G	0	0							Records Verified
T-95	SP3	180.91	181.4							Records Verified
T-97	0821-01	0.02	0.02							Records Verified
T-111	L-153	9.18	9.2							Records Verified
T-113	101	10.402	10.52							Records Verified
T-12	105N	18.92	19.14							Records Verified
T-21	L-131	49.36	50.57							Records Verified
T-58	300A	198.9292	201.7							Records Verified
T-59	300A	237.4404	238							Records Verified
T-66	L-300A	450.83	454.3289							Records Verified
T-50	L-300A	0.2855	0.9442							Records Verified
T-88	L-300B	472.65	478.1							Records Verified

T - Test section
TV - Test section that includes video work
L - Transmission pipeline
A - Actual date completed