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 OPENING COMMENTS TO ADMINISTRATIVE LAW JUDGE BUSHEY'S DECISION ADOPTING PROCEDURE FOR LIFTING OPERATING PRESSURE RESTRICTIONS

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I. INTRODUCTION

Pursuant to Rule 14.3 of the California Public Utilities Commission's ("Commission") Rules of Practice and Procedure, the City of San Bruno ("City") submits opening comments to Administrative Law Judge Maribeth Bushey's Proposed Decision Adopting Procedure for Lifting Operating Pressure Restrictions. On July 11, 2011, Pacific Gas and Electric Company ("PG&E") filed a motion 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 Commission to delegate authority to the Commission's Executive Director to approve "restoration" of operating pressure of several pipelines within its service territory.

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On July 26, 2011, the City of San Bruno ("City") objected to PG&E's motion and argued that any decision to restore operating pressure should be vetted and analyzed by the full Commission, as well as independent experts, and considered in the context of a public hearing in light of the significant public interest in this issue. The City also argued that it is premature to allow PG&E to restore operating pressure based on the fact that the National Transportation Safety Board ("NTSB") has not issued its final accident report and 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.

On August 9, 2011, Administrative Law Judge Bushey issued a Proposed Decision denying PG&E's motion to delegate authority to the Commission's Executive Director to approve requests to lift operating pressure limitations. The Proposed Decision also concluded that any request to restore operating pressure should be "public and thorough." The Proposed Decision also noted that "[i]ncreasing operating pressure in PG&E's transmission pipelines has significant implications for public safety."

II. DISCUSSION

The City believes that the Proposed Order and Decision are appropriate and necessary. As stated in previous filings, it is the City's position that the decision to "restore" operating pressure should be 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. 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

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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. The residents of San Bruno and the Peninsula live in high consequence areas ("HCAs") and next to Lines 132,¹ 101, and 109, presumably lines that will be included in subsequent requests by PG&E to raise operating pressure. Rightfully, their concerns about restoring operating pressure and its impact on public safety should be independently evaluated and heard in a public forum and the Proposed Decision affords the residents that right.

The City also believes that it is appropriate for each request to be accompanied by the "supporting information" as detailed on page 11 of the Proposed Decision. Once again, it is the City's position that the City and public have a right to know the results themselves *prior* to reviewing whether PG&E can raise operating pressure on any requested lines and the requirements detailed in the Proposed Decision address that issue. 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. As well, the Commission should be allowed the opportunity, at a minimum, to review the test records to ascertain if they truly are valid and provide some degree of safety to the residents of California.

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

III. CONCLUSION

Based on the foregoing, the City believes that the procedures and conclusions of law as outlined in the Proposed Decision are appropriate and necessary considering the important pipeline safety issues stemming from the tragic outcome of the September 9, 2010 explosion.

Respectfully submitted,

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