

**Line-132 Pipeline Insertion Project
Customer Messaging
October 12, 2011**

Background: After analyzing the results of a recent video inspection, PG&E determined that a section of pipeline in South San Francisco would be vulnerable in the event of a major earthquake. Although there is a planned pipeline replacement project for this section of pipe in 2012, over the next several months PG&E will take added precaution to ensure that this section of the line will be earthquake safe.

Key Talking Points:

- At PG&E our top priority is providing customers with safe and reliable service.
- Over the next several months, PG&E crews will be working on a natural gas pipeline near Colma Creek in South San Francisco to help ensure the line's safety and reliability in the event of an earthquake. This pipeline has been out of service since May 2011 due to ongoing testing and inspections.
 - At this time, the work schedule is subject to change based on safe weather conditions and CPUC approval. Residents will be notified when the schedule is finalized.
 - We plan to work seven days a week to complete this project in December. Typical work hours:
 - Weekdays: 7:00 a.m. through 7:00 p.m.
 - Weekends and holidays: 8:00 a.m. through 7:00 p.m.
 - During this work, residents may see PG&E field teams and machinery such as excavators, and may hear construction noise.
 - Our crews understand that this may be an inconvenience and will work to minimize community impacts.
- In 2012, PG&E will further improve the safety and strength of this 30-inch pipeline by completely replacing a two-mile section of the line. By putting safety measures in place now, PG&E is taking additional and conservative precautions to ensure public safety before the scheduled replacement.

Additional Earthquake Safety Talking Points:

- To help ensure this pipeline's safety in the event of an earthquake before the planned 2012 pipeline replacement project, PG&E crews will insert a new 24-inch pipeline segment, approximately one mile long, into the existing 30-inch pipeline and connect it to the gas system.
 - This new 24" pipeline will operate independently, using the existing line as a casing for the new pipeline.
 - The new pipeline is made with more modern construction techniques and will be better able to withstand an earthquake.
- PG&E is taking a very conservative approach to safety by addressing this risk and implementing earthquake safety improvements before winter.
- Although highly unlikely, experts have advised PG&E that a major earthquake could cause soil to shift in the area, possibly impacting the integrity of this section of the line.
 - After detailed analysis of recent tests and inspections on this line, PG&E determined that pipeline safety could be impacted by a major seismic event.
 - The probability of occurrence for the earthquake and resulting soil shifting, called "liquefaction," is 1 in 260 years or .39% per year.
- We recently completed a successful hydrostatic pressure test on this pipeline that validated the safe operating pressure to meet customer demand for natural gas this winter. The earthquake retrofit work is unrelated to the hydrostatic pressure test.

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