

From: Shori, Sunil
Sent: 10/17/2011 10:41:29 AM
To: Dowdell, Jennifer (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=JKD5)
Cc: Horner, Trina (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=TNHC);
Ramaiya, Shilpa R (/o=PG&E/ou=Corporate/cn=Recipients/cn=SRRd); Cooke,
Michelle (michelle.cooke@cpuc.ca.gov); Halligan, Julie
(julie.halligan@cpuc.ca.gov); Doll, Laura
(/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=LRDD)

Bcc:

Subject: RE: L132 Update

Jennifer,

While CPSD appreciates the updates being provided by PG&E, please be aware that the updates do not supplant the filing requirements of GO 112-E, Section 125.1 (Section 125.1). Section 125.1 requires the construction report to be provided 30 days prior to the start of construction. Excavation activities related to the construction to install new pipe on Line 132, are considered as "the start of construction" included under Section 125.1. As such, please be advised that PG&E's embarking on excavation activities related to construction which meets the notice requirements of Section 125.1 without the requirements of this section having been waived by the Commission, or unless the intended MAOP of the newly constructed pipe is such that it results in operating SMYS of the new pipeline being less than 20% of the pipe used, may result in PG&E being found in violation of Section 125.1.

Sunil Shori

-----Original Message-----

From: Dowdell, Jennifer [mailto:JKD5@pge.com]

Sent: Monday, October 17, 2011 7:38 AM

To: Shori, Sunil

Cc: Cooke, Michelle; Halligan, Julie; Horner, Trina; Ramaiya, Shilpa R;

Doll, Laura

Subject: L132 Update

Sunil,

Just FYI. This news article clipped in email below is incorrect.

Based on my information as this morning. PG&E is not excavating today.
Per my note yesterday

- Pot-holing activities could start today, with excavations starting on Wednesday the 19th.

- NOW we may start saw cutting in preparation for excavation on Wednesday as early as Monday afternoon.

Will continue to keep you posted. Please call if you need more info.

Jennifer
415-516-8347

From: News Flash
Sent: Monday, October 17, 2011 07:02 AM
Subject: NGI's DGPI - PG&E to Replace Segment of San Bruno Pipeline

PG&E will begin replacement work of a one-mile section of Line 132 for earthquake retrofitting. PG&E spokesperson and PG&E Vice President of Gas Safety and Policy Jane Yura were quoted.

PG&E to Replace Segment of San Bruno Pipeline
NGI's Daily Gas Price Index, October 17, 2011

On Monday Pacific Gas and Electric Co. (PG&E) will begin a temporary earthquake of a one-mile segment of a 30-inch diameter natural gas transmission pipeline (Line 132) that suffered a catastrophic failure last year. The replacement work will take about two months and be done north of the section that ruptured in San Bruno, CA, in September 2010.

In addition to the quake protection, PG&E hopes the work will allow it to restore pressure in Line 132 ahead of this winter's higher peak demand. A longer two-mile segment will be installed on a permanent basis next year as part of the utility's broader pipeline safety enhancement program.

"Crews are expected to mobilize on Monday and work until December," a PG&E spokesperson told NGI. "This project will ensure the integrity of the pipeline in the event of a major earthquake and will enable us to restore pressure on this line, which will help us meet winter demand."

PG&E said the decision to do the retrofit work is an offshoot of its "rigorous" inspections, testing and replacement of pipe that has been accelerated since the San Bruno rupture and explosion. The ongoing work involves more intensive leak surveying of pipelines, a search of records

and the reduction of maximum allowable operating pressure (MAOP) in about a dozen pipelines in the utility's 6,000-mile transmission system.

The retrofit will be done on the northern end of the San Francisco Peninsula near Colma Creek in South San Francisco, which is the suburb just north of San Bruno.

"Experts have advised PG&E that there is a possibility, while highly unlikely, that the shifting or settling of soil during a major earthquake in this area could damage an existing pipeline located there," the spokesperson said.

Crews plan to insert a new 24-inch diameter pipeline inside the existing 30-inch diameter Line 132. According to PG&E, the new pipe is made of more advanced construction techniques, meaning it will be better able to withstand the shifting or settling of soil (liquefaction) that occurs during a quake.

This retrofit is considered temporary, and PG&E will make the permanent changes with the installation of a two-mile segment in the area next year, the spokesperson said.

This portion of Line 132 has been out of service since May, undergoing hydrostatic pressure tests and other inspections. The tests confirmed that the pipeline could be operated safely, but it was subsequently determined that in the event of significant quake, the segment's old welds might not "perform as required."

"We are taking a conservative approach to addressing this risk by making a pipeline safety improvement before winter when gas demand rises," said Jane Yura, vice president of standards and policies in PG&E's gas operations.