

**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)

**PACIFIC GAS AND ELECTRIC COMPANY'S
PLAN SPECIFYING TIMETABLE FOR SEEKING AUTHORIZATION TO
LIFT COMMISSION-ORDERED PRESSURE REDUCTIONS,
AND
REQUEST FOR RULING SETTING SCHEDULE FOR COMMISSION
REVIEW OF PRESSURE RESTORATION ON LINES 101, 132A AND 147**

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This filing addresses the pipeline pressure restorations Pacific Gas and Electric Company (PG&E) needs to safely and reliably serve its customers over the next 12 months. First, in compliance with Ordering Paragraph (OP) 1 of D.11-09-006, PG&E submits its 12-month timetable for seeking authorization to lift Commission-ordered pressure reductions. Second, recognizing the public interest in PG&E's Peninsula pipelines, and in accord with the suggestion of Commission staff, PG&E requests the Administrative Law Judge (ALJ) to issue a ruling establishing a process and schedule for the Commission to review the restoration of pressure on Lines 101, 132A^{1/} and 147 – lines the Commission has not ordered reduced.^{2/} For these non-Commission-ordered pressure reductions, PG&E requests a review schedule leading to a Commission decision on December 1 to meet winter gas heating needs and avoid possible curtailments to core, including residential, and noncore customers. PG&E will only restore pressure when it has confirmed the pipeline can safely operate at the restored pressure.

^{1/} Line 132A is not part of Line 132. It is a cross-tie between Line 101 and Line 132.

^{2/} PG&E voluntarily reduced pressure on these Peninsula lines and Line 109 shortly after the San Bruno accident. As PG&E noted in its July 11, 2011 Motion for Delegation and Adoption of a Procedure, Commission staff suggested to PG&E that it should seek Commission approval before restoring operating pressure to pre-September 2010 levels on any Peninsula gas transmission line. See Motion at 4 n. 3.

I. PLANNED 12-MONTH RESTORATION TIMETABLE

OP 1 of D.11-09-006 directs PG&E to file and serve a plan specifying a timetable for each segment of each pipeline for which PG&E will seek authorization to lift a Commission ordered operating pressure restriction in the next 12 months, including plans for supporting information. Attachment A sets forth PG&E's planned 12-month timetable for lines on which the Commission has ordered pressure reductions. As shown in that timetable, we generally plan to file approximately two to three months in advance of the needed pressure restoration. While this schedule reflects PG&E's current plan, operational conditions, such as unanticipated issues with other facilities, may cause us to accelerate requests for pressure restoration or to advance the timing of pressure restoration on other pipelines.

Consistent with OP 4 of D.11-09-006, we will present the following supporting information for each request:

- Name/number of segment, general description, location, length of segment, and percent specified minimum yield strength (SMYS) at maximum allowable operating pressure (MAOP).
- Maximum operating pressure (MOP) and MAOP for each segment and the entire Line prior to the pressure reduction.
- Reason for MAOP reduction.
- Complete pressure test results for each segment in Class 3 or Class 4 locations or Class 1 or Class 2 High Consequence Areas (HCAs) where MAOP will be restored.
- Explanation of findings and any actions taken based on results of pressure testing.
- MAOP validation records for non-HCA segments where MAOP will be restored.
- Proposed MOP and MAOP for each segment and the entire Line and proposed effective date.
- Safety Certification. Verified statement from the PG&E officer responsible for gas system engineering that:
 - a. PG&E has validated pipeline engineering and construction;
 - b. PG&E has reviewed pressure test results and can confirm that a strength test was performed on the segment in accord with 49 CFR Part 192, Subpart J, or the regulations in effect at the time the pressure test was performed; and

- c. in the professional judgment of the engineering officer, the system is safe to operate at the proposed MAOP.
- Concurrence of the Commission's Consumer Protection and Safety Division (CPSD).

In addition, as agreed at the September 19, 2011 Topock hearing and affirmed in the proposed Topock pressure restoration decision, PG&E will include a summary table showing the following information for each segment tested: current maximum operating pressure, minimum indicated test pressure at test point, spike test results, ratio of highest test pressure to maximum operating pressure, percent specified minimum yield strength at test pressure, percent specified minimum yield strength at maximum operating pressure.

II. REQUEST FOR SCHEDULE FOR COMMISSION REVIEW OF PRESSURE RESTORATION ON LINES 101, 132A AND 147 TO MEET WINTER NEEDS

Although PG&E voluntarily reduced pressure on Peninsula Line 101 and the associated cross-tie Lines 132A and 147, PG&E agrees with Commission staff that it is in the public interest to subject these lines to the same public process the Commission followed in deciding whether to authorize the lifting of the pressure restriction on the Topock Compressor Station.

The Topock process provided a public and transparent safety review prior to pressure restoration, including: PG&E serving supporting information for its request (including proof of strength testing) on all parties; CPSD review of the material; the opportunity to view confidential material at PG&E's offices; a public hearing in which the ALJ, Commissioners, and intervenors participated; a proposed decision on which parties could comment; and a final decision by the Commission. PG&E also plans to serve the supporting information for Lines 101, 132A and 147 on each city and county where pressure would be restored. With this addition, PG&E proposes to follow the Topock process or any other process the ALJ deems reasonable to allow PG&E to prove the safety of Lines 101, 132A and 147.^{3/}

^{3/} The portions of PG&E's gas transmission system involved are as follows: For Line 101, Mile Point (MP) 0.0 (Milpitas Terminal) to MP 33.68 (Lomita Park Station). For Line 147, cross-tie at MP 0.0 (Edgewood Road) to MP 3.57 (Commercial Way). For Line 132A, cross-tie at MP 0.0 (Sierra Vista Ave.) to MP 1.5 (Rengstorff Ave. Station).

If Line 101 must be maintained at its current reduced operating pressure of 300 psig or less, PG&E faces potentially significant operational and customer impacts. At temperatures that occur every 10 to 90 years on average, PG&E would have to curtail noncore customers on the entire San Francisco Peninsula, including hospitals, schools and electric generation, and potentially up to 100,000 core customers, including residential customers in the city of San Francisco. Lines 132A and 147 are associated with Line 101. With Line 132A or Line 147 restored to prior operating pressure, core and noncore curtailments could be reduced.

To prepare for the onset of colder weather, it is vital that PG&E is able to restore pressure on these lines no later than December 1, 2011. The proposed schedule follows the same public process but allows more time for public and Commission review than adopted for Topock in D.11-09-006. The proposed schedule, which mirrors the Topock process, is as follows:

By October 18	ALJ ruling establishing process and schedule for Commission review of pressure restoration on Lines 101, 132A, and 147
October 21	PG&E files and serves supporting information for request Lines 101, 132A, and 147 pressure restoration
October 27	Confidential portion of supporting information available for review at PG&E's offices
October 31	Evidentiary hearing
November 10	Proposed Decision (PD) issued
November 21	Comments on PD
November 28	Reply Comments on PD
December 1	Commission Decision

This schedule allows for a public process and formal Commission review in a reasonable timeframe. The proposed October 21 filing date reflects the anticipated completion in about mid-October of the required hydro testing. Because the pressure reduction on Lines 101, 132A and 147 is voluntary, in the unlikely event that the proposed schedule is delayed and/or unusually

ATTACHMENT A

Pacific Gas and Electric Company
Attachment A
12 Month Pressure Restoration Timeline Forecast for CPUC-Mandated Pressure Reductions

Estimated PG&E Filing Date	Line ⁽¹⁾	Beginning Mile Point	Ending Mile Point	Date Restoration is Needed	Impact of Delay to Restore Pressure
Mar-12	131-30	50.58 - Irvington Station	57.45 - Milpitas Terminal	Jun-12	This is an essential alternate supply to Milpitas and the San Francisco Peninsula. There will be potential impact under warmer than cold day demand conditions if the capacity of the primary supply is diminished. Potential impacts to deliveries to Milpitas and Hollister and downstream noncore customers.
Jul-12	148	0.0 - McMullin Ranch Station	17.63 - Witmore Ave and Morgan Rd Reg Station, Modesto	Oct-12	Potential to not meet elevated pressure needed by noncore customers. Incremental noncore curtailments at colder than Cold Winter Day (CWD)
Jul-12	1816-01	0.0 - Front St Reg Station, Salinas	8.44 - Rob Roy Station	Oct-12	Potential increase in noncore curtailments. Additional manual operations may be required.
Aug-12	300B	0.0 - CA/AZ Border	0.45 - Topock Compressor Station	Nov-12	Supply availability from El Paso Natural Gas is interrupted if the parallel Line 300A is removed from service for any reason. Potential of short duration loss of supply from El Paso has no immediate impact except for extreme cold high demand days. Requires the shut off of supply from El Paso Natural Gas when it is necessary to shut down the L300A side of the Topock plant for construction or maintenance.

⁽¹⁾ Lines 101, 132A and 147 were not Commission-ordered pressure reductions and are not included in this timeline; however, PG&E is seeking Commission approval for restoration of these lines and as such, the schedule for these lines is provided in PG&E's pleading. At the date of this filing, PG&E does not anticipate requesting restoration of the following lines in 2012: Commission-mandated - Lines 132, 153, 0805-01 and 0807-01; Non-Commission mandated - Line 109