

From: Garber, Stephen (Law  
Sent: 3/2/2012 4:40:07 PM  
To: Berdge, Patrick S. (patrick.berdge@cpuc.ca.gov)  
Cc: Bruno, Kenneth (kenneth.bruno@cpuc.ca.gov); Halligan, Julie  
(julie.halligan@cpuc.ca.gov); Boles, Kevin (kevin.boles@cpuc.ca.gov); Lam,  
Willard (willard.lam@cpuc.ca.gov); Ramaiya, Shilpa R  
(/o=PG&E/ou=Corporate/cn=Recipients/cn=SRRd); [Redacted]  
[Redacted]; Morris, Harvey Y.  
(harvey.morris@cpuc.ca.gov); [Redacted]  
Bcc:  
Subject: RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-  
009) Questions 2 and 3

Patrick,

I'll try and clarify pursuant to our discussion this morning. I apologize for the terminology being imprecise and confusing.

With respect to the 22, what we are trying to say is that the class did not go up as a result of the Willbros study. For example, this would be the case if a segment's class was shown in GIS as class 2, and the class after the Willbros review was still a class 2. Nevertheless, in this hypothetical example the MAOP was inappropriate for a class 2 (say, 60.1% SMYS), and the MAOP had been at that level even before the Willbros study. This is the type of situation PG&E characterizes as a non-commensurate segment that did not go up in class.

As to "how" this could have happened, we are working diligently to confirm the underlying facts. I haven't satisfied myself that I know enough about any specific segment to respond at this point on how or why, and, as we discussed PG&E does not want to speculate or guess or be wrong in responding to the Commission on this. That said, two "examples" of how a segment could be at the wrong MAOP (without saying any of them apply to a particular segment) would be:

- GIS shows an 8 hour pressure test, when, upon investigation we have not located a record for that pressure test or the pressure test was for less than eight hours.
- GIS or some other record contained a SMYS value, but as a result of further investigation or the MAOP review, PG&E determined that the SMYS value was lower than previously thought (resulting in a higher % SMYS) and in effect rendering the MAOP inappropriate for the class.

In these two examples, the issue may have been found as a result of the various safety initiatives we've undertaken, such as the exhaustive data gathering effort or the MAOP validation effort, but we are including it in our class report. As we continue our MAOP review, we may find additional situations where we lower the SMYS (and the MAOP) because we lack traceable and verifiable records, which may affect whether a segment was operating at an MAOP inappropriate for its class.

We are trying to determine a segment by segment response to your data request,

I hope this helps clarify.

Steve

**From:** Berdge, Patrick S. [mailto:patrick.berdge@cpuc.ca.gov]  
**Sent:** Friday, March 02, 2012 8:19 AM  
**To:** Garber, Stephen (Law)  
**Cc:** Bruno, Kenneth; Lam, Willard; [Redacted] Halligan, Julie; Morris, Harvey Y.; Ramaiya, Shilpa R; [Redacted]  
**Subject:** RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-009) Questions 2 and 3

Stephen:

Please explain why PG&E operated these 22 segments at pressures higher than MAOP.

Thanks.

**From:** Garber, Stephen (Law) [mailto:SLG0@pge.com]  
**Sent:** Thursday, March 01, 2012 9:51 PM  
**To:** Berdge, Patrick S.  
**Cc:** Bruno, Kenneth; Lam, Willard; [Redacted] Halligan, Julie; Morris, Harvey Y.; Ramaiya, Shilpa R; [Redacted]  
**Subject:** RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-009) Questions 2 and 3

Patrick,

PG&E continues to review and validate the results of the 2011 system-wide class location review. Through this validation process, PG&E is identifying facts that both increase and decrease the total number of non-commensurate segments. For example, PG&E has determined that segments previously listed as non-commensurate may have been commensurate because the class location had not, in fact, changed. As I indicated in my email yesterday morning, PG&E now believes that there are at least 22 non-commensurate segments that did not go up in class, although we expect this number to change as we continue to validate the data. We have a number of employees and contractors working very hard to validate our results.

To respond to your two follow-up questions, PG&E believes that the 22 non-commensurate segments that did not go up in class were operating at an MAOP inappropriate for their class location before the 2011 system-wide class location review. However, pressure on these 22 segments was not reduced prior to the 2011 system-wide class location review. PG&E reduced pressure on these segments after Willbros began its review.

In addition, as part of the ongoing research into the 7 segments mentioned in footnote 24 of PG&E's January 17 Response (and which are the subject of question 3 below), PG&E's understanding of the underlying facts has been changing even over the past few days. I am not certain that footnote 24 was accurate. I'm also not certain whether my statement on Wednesday that "the class for these 7 segments had changed, the pressure had been reduced and the updated class had been recorded in GIS prior to Willbros receiving GIS data from PG&E" is accurate. We are working to validate and confirm our understanding, but I want our response to your questions to be as accurate as possible. Therefore, we will likely not be able to respond to question 3, below, by tomorrow as we originally hoped. PG&E now hopes to respond to this request no later than Monday, March 5<sup>th</sup>.

I apologize for the delay in providing our responses. Please let me know if you have any additional questions.

Steve Garber

**From:** Berdge, Patrick S. [mailto:patrick.berdge@cpuc.ca.gov]

**Sent:** Thursday, March 01, 2012 1:28 PM

**To:** Garber, Stephen (Law)

**Cc:** Bruno, Kenneth; Lam, Willar [Redacted] Halligan, Julie; Morris, Harvey Y.; Ramaiya, Shilpa R; [Redacted]

**Subject:** RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-009) Questions 2 and 3

STEPHEN: Please confirm that I am correct in my understanding your e-mail below.

PG&E determined that:

- these 22 noncommensurate segments were out-of-class before the Willbros survey and report; and
- PG&E reduced the MAOP on these 22 segments commensurate with their SMYS again before the Willbros survey and report.

Thank you.

PATRICK S. BERDGE  
Staff Counsel  
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San Francisco, CA 94102

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**From:** Garber, Stephen (Law) [mailto:SLG0@pge.com]  
**Sent:** Wednesday, February 29, 2012 7:48 AM  
**To:** Berdge, Patrick S.  
**Cc:** Bruno, Kenneth; Lam, Willard; [Redacted] Halligan, Julie; Morris, Harvey Y.; Ramaiya, Shilpa R; [Redacted]  
**Subject:** RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-009) Questions 2 and 3

Patrick,

I am writing in response to your email to [Redacted] asking for a detailed answer about “exactly why complete responses to Questions 2 and 3 of the Feb. 13, 2012 Follow-up Data Requests cannot be provided immediately.”

Preliminarily, I want to give you an interim update, as our continuing efforts have indicated that we have more than 16 non-commensurate segments that did not go up in class. We are continuing to research and review the data, but we currently believe there are at least 22 such segments. We will interpret question 2 as seeking information on all 22 such segments (and any additional such segments that we may find as our review progresses). Please let me know if you would like information from GIS about these additional segments as we can provide that information this week.

With respect to the portion of your requests that seek GPS coordinates, we can also provide that information this week if you want it prior to the rest of the response. The much more difficult portion of your request is determining how long these segments have been non-commensurate, and determining, to the extent possible, why and/or how these segments were operating at an inappropriate MAOP.

Question 2 is as follows:

Provide an explanation as to why and/or how each of these 16 non-commensurate segments were operating at an inappropriate MAOP but did not go up in class. Also, please provide these 16 segments' GPS coordinates and dates of non-commensurate operation.

These 16 (now 22) segments were not among the segments investigated by Willbros to determine the date of class change, since these 22 segments did not increase in class from what is reflected in GIS. To determine the dates of non-commensurate operation, PG&E went back to Willbros to ask them to perform the same investigation for these 22 segments that they did for the 806 erroneously designated segments, as described on page 16 of PG&E's Response to I.11-11-009 (i.e., investigate when and why the class changed). This week Willbros has provided PG&E with the dates for most of the 22 segments. PG&E and Willbros are jointly performing quality review and validation of this information. In addition, PG&E is gathering information and investigating the underlying facts, but PG&E still may not be able to "explain" why and/or how a segment operated at an inappropriate MAOP.

The issues with Question 3 are similar, although somewhat different. Question 3 is as follows:

Provide an explanation as to why and/or how each of the 7 segments listed in the spreadsheet and identified prior to the 2011 Class Location Report were operating at an inappropriate MAOP. Also provide the seven segments' GPS coordinates and dates of non-commensurate operation.

Once again, these segments were not among the segments investigated by Willbros to determine the date when the class changed, since the class for these 7 segments had changed, the pressure had been reduced and the updated class had been recorded in GIS prior to Willbros receiving GIS data from PG&E. Similar to Question 2, this week Willbros provided PG&E with information on when Willbros believes the class changed for these segments. PG&E is

validating that information and hopes to be able to respond to Question 3 by the end of this week.

Please let me know if you have any additional questions.

Steve Garber

**From:** Berdge, Patrick S. [mailto:patrick.berdge@cpuc.ca.gov]  
**Sent:** Monday, February 27, 2012 8:34 AM  
**To:** Redacted  
**Cc:** Bruno, Kenneth; Lam, Willard; Redacted Halligan, Julie; Morris, Harvey Y.; Garber, Stephen (Law)  
**Subject:** RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-009) Questions 2 and 3

Redacted Within 48 hours, please describe in detail exactly why complete responses to Questions 2 and 3 of the Feb. 13, 2012 Follow-up Data Requests cannot be provided immediately. Thank you.

**From:** Redacted  
**Sent:** Friday, February 24, 2012 11:58 AM  
**To:** Berdge, Patrick S.  
**Cc:** Bruno, Kenneth; Lam, Willard; Redacted Halligan, Julie  
**Subject:** RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-009) Questions 2 and 3

Patrick,

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The following is the status of the responses to Qs. 2 and 3 of your Feb.13 follow-up data requests based on my conversation with our engineering team this morning:

1) Q. 3- PG&E will provide an explanation as to why and how each of the 7 segments by next Friday,

March 2. As for the dates of non-commensurate operation, we expect to have it by March 16. The research on the dates is very time consuming.

2) Q.2 – We expect to provide the response to Q.2 by March 16, 2012.

Please note that we have the same engineering team who works on the validation effort for the April 2 Update filing to prepare these responses. We will make our best effort to complete these requests and will send the responses to you as soon as we can.

I also left you a voice message this morning regarding the status of these two questions.

Thank you for your understanding.

Redacted

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**CPSD Follow-Up Data Requests to PG&E on February 13, 2012**

**In I.11-11-009**

(2) ***GTSClassLocationOII\_DR\_CPSD\_004-Q01Atch01-CONF***

Provide an explanation as to why and/or how each of these 16 non-commensurate segments were operating at an inappropriate MAOP but did not go up in class. Also, please provide these 16 segments' GPS coordinates and dates of non-commensurate operation.

(3) ***GTSClassLocationOII\_DR\_CPSD\_004-Q04Atch01-CONF***

Provide an explanation as to why and/or how each of the 7 segments listed in the spreadsheet and identified prior to the 2011 Class Location Report were operating at an inappropriate MAOP. Also provide the seven segments' GPS coordinates and dates of non-commensurate operation.

**From:** [Redacted]  
**Sent:** Thursday, February 23, 2012 3:30 PM  
**To:** 'patrick.berdge@cpuc.ca.gov'  
**Cc:** 'Bruno, Kenneth'  
**Subject:** RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-009)

Patrick,

I am still waiting to hear from the team on the timing in responding to your follow- up questions 2 and 3. I will let you know as soon as I hear from my team.

Thank you,

[Redacted]

**From:** [Redacted]  
**Sent:** Thursday, February 23, 2012 8:55 AM  
**To:** 'Berdge, Patrick S.'  
**Cc:** Halligan, Julie; Bruno, Kenneth; Lam, Willard; [Redacted]  
**Subject:** RE: Follow-up data requests from February 13, 2012 ( Class Location OII- I.11-11-009)

Patrick,

Per our phone conversation this morning, we expect to complete the responses to Qs. 2 and 3



of your 2/13/12 follow-up questions by next Wednesday 2/29. I am asking my team if they can expedite these two responses. I will let you know as soon as I hear from them.

Thank you,

Redacted

**From:** Berdge, Patrick S. [mailto:patrick.berdge@cpuc.ca.gov]

**Sent:** Thursday, February 23, 2012 8:36 AM

**To:** Redacted

**Cc:** Halligan, Julie; Bruno, Kenneth; Lam, Willard; Redacted

**Subject:** Follow-up data requests from February 13, 2012

Redacted Thank you for returning your responses to Redacted data requests by the end of last week as CPSD requested at our meeting on Feb. 13, 2012. The afternoon following our meeting, I sent you a set of follow-up requests. Some requests may take time to accumulate the paperwork. However, data request numbers 2 and 3 of that Feb. 13, 2012 list should be available without trouble. Please let me know when we can expect to receive PG&E's responses to the Feb. 13, 2012 data requests giving priority to questions 2 and 3. Thank you.

PATRICK S. BERDGE

Staff Counsel

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