From:Gibson, Bill (GE&OSent:6/29/2012 4:56:55 PMTo:sunil.shori@cpuc.ca.gov (sunil.shori@cpuc.ca.gov)Cc:Bcc:Subject:Over Pressure Regulations

Sunil,

Thanks for the discussion this afternoon. I know Friday afternoons before a holiday week are a tough time for everyone. I took a look at the recently approved "Pipeline Safety, Regulatory Certainty, and Job creation Act of 2011" with a focus on reporting of over pressure events. The text of the relevant section is...

"(2) EXCEEDANCES OF MAXIMUM ALLOWABLE OPERATING

PRESSURE.—If there is an exceedance of the maximum allowable

operating pressure with respect to a gas transmission pipeline

of an owner or operator of a pipeline facility that exceeds

the build-up allowed for operation of pressure-limiting or control

devices, the owner or operator shall report the exceedance

to the Secretary and appropriate State authorities on or before

the 5th day following the date on which the exceedance occurs.

Essentially the current 49 CFR 191.23 requires that PG&E report Safety Related Conditions to PHMSA, within five days, for any malfunction or operating errors that cause the pressure of a pipeline [not just a transmission pipeline] to rise above its MAOP plus 10% [191.23(a)(5)] unless the affected pipe segment is replaced within those five days [192.23(b)(4)]. From my review of the new requirements, I see there being 3 changes from the existing federal requirements; (1) it only references transmission lines, (2) it appears to remove the reporting exception for pipelines repaired or replaced within five days, and (3) it requires that transmission line MAOP exceedances be reported to "appropriate State authorities" as well. Seems like the current reporting we are doing now meets/exceeds this level.

I would be interested in your interpretation. I also understand that some of the changes being considered in the OIR will go well beyond this. After you have had some time to digest, we can discuss further. Attached is a copy of the bill in its

entirety. The specific section I was referencing is on page 15, [§ 60139.(b)(2)]

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Take care and have a great weekend!

Bill

925 974-4210