

SAN FRANCISCO FIRE DEPARTMENT CITY AND COUNTY OF SAN FRANCISCO

VIA EMAIL & US MAIL

September 17, 2012

President Michael Peevey California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

Dear President Peevey,

As Chair of the Utility Infrastructure Safety Review Team for the City and County of San Francisco, I am responding to your letter dated September 13, 2012 to Mayor Edwin Lee regarding Pacific Gas and Electric (PG&E's) Company's Pipeline Safety Enhancement Plan (PSEP).

Attached please find a copy of a March 21, 2012 letter that I sent to you specifically addressing the PSEP. On behalf of Mayor Lee, let me reiterate the City's unwavering commitment to improved public safety and continued advocacy and support of PG&E's efforts to streamline and modernize equipment and systems for greater reliability and overall protection to the public.

As such, I was surprised that in your September 13, 2012 letter you indicate that "PG&E has been barred by San Francisco's Department of Public Works from completing its cast iron pipe replacement work due to a San Francisco street paving ordinance." Let me assure you that I have spoken directly with our City Administrator, Ms. Naomi Kelly and Director of Public Works, Mr. Mohammed Nuru regarding this assertion. Both have indicated that they are not aware of any impediment or barrier to completion of this important safety project. Please note that I have also never been made aware of any outstanding issues. Please provide documentation with examples of any impediment that PG&E may have encountered for my review and analysis.

Additionally, I will be meeting with Mr. Nickolas Stavropoulos, Executive Vice President of PG&E Gas Operations, on Monday, September 24 at 1:00 p.m. at San Francisco Fire Department Headquarters. Our City Administrator and Department of Public Works Director will also be present. I am requesting your attendance and participation as well in order to discuss and resolve any issues related to this important public safety matter. Please contact my assistant, Ms. Kelly Alves, at 558-3401 to confirm your attendance.

As a reminder, all future correspondence regarding Utility Infrastructure with the City and County of San Francisco should be sent directly to the City Administrator and myself. Thank you for your cooperation and shared interest in the protection of our communities.

Sincerely,

Joanne Hayes-White Chief of Department

Enclosure

cc: The Honorable Mayor Edwin M. Lee, City and County of San Francisco

Ms. Naomi Kelly, City Administrator

Mr. Mohammed Nuru, Director, Department of Public Works

Mr. Anthony Earley, Jr., Chairman, CEO & President, PG&E

Mr. Nickolas Stavropoulos, Executive Vice President, Gas Operations, PG&E