



*Pacific Gas and
Electric Company*

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May 23, 2012

Honorable Deborah A.P. Hersman
National Transportation Safety Board
490 L'Enfant Plaza, SW
Washington, DC 20594

Re: NTSB Safety Recommendations Status Update

Dear Chairman Hersman:

Pacific Gas and Electric Company (PG&E) is making substantial progress to implement the safety recommendations outlined by the National Transportation Safety Board's (NTSB) investigation of the September 2010 San Bruno pipeline accident. This status report details the actions PG&E has taken and will continue to take to assure public safety remains the company's highest priority in the operation of our natural gas transmission system.

We have made many fundamental changes to the operations and management practices throughout our gas organization. Some of the more critical actions include: completion of the Maximum Allowable Operating Pressure validation of all 2,088 miles of high consequence area (HCA) pipelines; validation of 1,032 miles of non-HCA pipelines through April 2012; and automation of 36 valves.

In 2011, PG&E conducted strength tests and verified strength test pressure records for a total of approximately 214.5 miles of pipeline. Additionally, from January through April 2012, an additional 37.6 miles have been tested or verified. PG&E's Pipeline Safety Enhancement Plan (PSEP), currently before the CPUC for approval in R.11-02-019, outlines our plan for testing or verifying records of 547 miles in 2012 – 2014.

PG&E has modified its 911 Notification Process to respond to the NTSB's suggestion that SCADA real time operating data and alarms serve as triggers for 911 notifications. We have developed a comprehensive emergency response procedure for large-scale emergencies on transmission lines, which identifies a single person in charge, outlines specific protocols and provides for drills and training. PG&E has also incorporated performance measures and guidelines to assure continuous improvement in our public awareness program.

PG&E has initiated a complete assessment of every aspect of our transmission integrity management program including threat identification and assessment.

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Much more work lays ahead, but the progress to date gives us confidence that PG&E is on track to achieving the goal of regaining the trust of the public and our regulators by demonstrating our steadfast commitment to safety.

The attachment to this letter provides a more detailed summary of each NTSB recommendation and the steps we have taken and continue to take to act upon them.

If you have any questions, please contact me directly.

Sincerely,

A handwritten signature in cursive script that reads "Christopher P. Johns".

Christopher P. Johns

Attachment