

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company with Respect to Facilities Records for its Natural Gas Transmission System Pipelines.	I.11-02-016 (Filed February 24, 2011) (Not Consolidated)
Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company's Natural Gas Transmission Pipeline System in Locations with Higher Population Density	I.11-11-009 (Filed November 10, 2011) (Not Consolidated)
Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company to Determine Violations of Public Utilities Code Section 451, General Order 112, and Other Applicable Standards, Laws, Rules and Regulations in Connection with the San Bruno Explosion and Fire on September 9, 2010.	I.12-01-007 (Filed January 12, 2012) (Not Consolidated)
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) (Not Consolidated)

**PACIFIC GAS AND ELECTRIC COMPANY'S RESPONSE TO MOTION
OF THE CONSUMER PROTECTION AND SAFETY DIVISION TO
SUSPEND PROCEEDINGS, IN ORDER TO FACILITATE
NEGOTIATIONS TOWARD A STIPULATED OUTCOME**

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Dated: October 8, 2012

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PG&E supports CPSD's motion to suspend all procedural dates and activities in these four dockets to allow the parties to concentrate their efforts on good faith negotiations toward a stipulated outcome to propose to the Commission.

Combined, these proceedings have been ongoing for nearly 20 months. Hearings have concluded in the Pipeline Safety Enhancement Plan proceedings (R.11 -02-019) and the Class Location OII (I.11 -11-009), and are in progress in both the Records OII (I.11 -02-016) and San Bruno OII (I.12 -01-007) with an anticipated end date of October 19, 2012. As the evidentiary hearings to date have already demonstrated, decisions in these proceedings will require resolution of many complicated issues of fact and law.

Under the current schedule for the three OIIs, they will not be submitted until the completion of briefing on December 21, 2012. Presiding Officers Decisions (PODs) will likely be issued in the second half of February 2013, and a Commission decision would likely not be forthcoming before June 2013.

Where a fully-litigated outcome would extend these proceedings – and the diversion of Commission and PG&E resources – until the middle of 2013 or later, the Commission could address a proposed stipulated resolution before the end of this year.

The Commission should grant CPSD’s motion to suspend the current proceedings to allow the parties to concentrate their efforts on continuing and concluding discussions for a mutually-agreeable proposed stipulated resolution.

Respectfully submitted,

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