

**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 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)
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)

**RESPONSE OF THE CITY AND COUNTY OF SAN FRANCISCO  
TO THE CONSUMER PROTECTION AND SAFETY DIVISION'S MOTION TO  
SUSPEND PROCEEDINGS IN ORDER TO FACILITATE NEGOTIATIONS**

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ATTORNEYS FOR:  
CITY AND COUNTY OF SAN FRANCISCO

October 10, 2012

Pursuant to Rule 11.1(e) and the Administrative Law Judges' October 8, 2012 Ruling Setting Date for Filing Responses to Motion, the City and County of San Francisco respectfully submits this response to the Consumer Protection and Safety Division's (CPSD) motion.

The CPSD motion seeks suspension of all procedural dates and activities in Investigation (I.) 11-02-016, Rulemaking (R.) 11-02-019, I. 11-11-009, and I. 12-01-007 to facilitate good-faith negotiations toward a stipulated outcome for all four proceedings. These four proceedings involve complex issues of law and fact, and resolving these issues will determine the future safety of PG&E's gas operations, and the cost responsibilities associated with those safety measures. Any resolution of these proceedings, whether by settlement or litigation, must ensure that public safety is improved, that ratepayers are assessed only reasonable rates, and that PG&E is appropriately sanctioned for the unsafe practices that are demonstrated in the public record in these proceedings.

From the outset of these proceedings, the Commission has "invite[d] interested parties to participate actively in this formal investigation, as it involves safety matters important on a local, state, and national basis."<sup>1</sup> The Commission reasoned that "participation by informed parties can facilitate the Commission reaching a decision that is both informed and fair."<sup>2</sup> San Francisco has actively participated in all four proceedings, and believes that the current state of the record in the proceedings supports a large disallowance in the rulemaking and large penalties against PG&E in the investigations. Whether these proceedings continue to a litigated conclusion now or are resolved by a stipulated agreement, the Commission must ensure that the public is able to review and comment on the proposed outcome in the context of the already developed record.

San Francisco intends to participate actively in these matters whether or not the Commission grants the motion to suspend the proceedings. We note, however, that there has

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<sup>1</sup> Order Instituting Investigation 11-02-016, at p. 9.

<sup>2</sup> *Id.*

been little, if any, explanation for the urgency or timing of this motion, which was filed minutes before the close of business on a Friday.

Further, at the time CPSD made the motion, there were only seven days of cross-examination remaining, after a combined four weeks of evidentiary hearings in the record keeping investigation and the San Bruno explosion investigation. A reasonable alternative for the Commission to consider under the circumstances is to require the parties to finish the evidentiary hearings but grant a suspension of the briefing schedule to allow parties to discuss settlement.

Dated: October 10, 2012

Respectfully submitted,

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By: \_\_\_\_\_ /s/  
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