

**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 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)

**PG&E'S REPLY TO CPSD'S OPPOSITION TO PG&E'S
OBJECTION AND MOTION TO EXCLUDE PORTIONS OF CPSD'S
REBUTTAL TESTIMONY (EX. CPSD-5)**

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Dated: January 31, 2013

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Pursuant to Rule 11.1(f) of the Rules of Practice and Procedure, PG&E replies to CPSD's Opposition to PG&E's Objection and Motion to Exclude Portions of CPSD's Rebuttal Testimony. Presiding Administrative Law Judge Wetzell granted permission for this reply by e-ruling on January 30, 2013.

CPSD's opposition highlights why the two sections of CPSD's Rebuttal Testimony (Ex. CPSD-5) and associated exhibits should be excluded from evidence.

CPSD's justification for Section IX.A ("Separate Board Meetings") (p. 56, line 23 to p. 58, line 6, p. 59, lines 12 -17) amounts to a defense of "sandbagging." CPSD asserts that it may make a recommendation (no joint board meetings) in its opening testimony without any support or rationale. Then, if PG&E does not accept the recommendation, expressly or by its silence, CPSD contends it is entitled in rebuttal – when PG&E has no opportunity to respond – to set forth a rationale for the recommendation for the first time. That defense underscores that Section IX.A is improper rebuttal and should be stricken.

CPSD's defense of Section IX.H ("PG&E's Corporate Culture Is Deeply Rooted") (p. 64, line 14 to p. 66, line 28, and associated exhibits (Ex. CPSD-162 through CPSD-167)) similarly highlights the impropriety of this material. CPSD's argument boils down to the assertion that

because PG&E stated in its testimony that it did not know of the presence of the defective pup that ruptured in Segment 180 – a fact that no one in this proceeding has ever disputed – it is proper for CPSD to submit as “rebuttal” information it had in its possession before it filed its case-in-chief that dates to the 1970s and 1980s and that relates to other pipe in PG&E’s gas transmission system. Section IX.H does not even pretend to comment on PG&E’s lack of knowledge of the pups but to add to CPSD’s unrelated claims about PG&E’s “safety culture.” This too is improper additional direct testimony and should be excluded from evidence.

Because it is improper additional direct, the ALJ should sustain PG&E’s objection and exclude the identified portions of CPSD’s testimony and associated exhibits from evidence.

Respectfully submitted,

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