

**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)  
(Not Consolidated)

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)

**CITY OF SAN BRUNO'S RESPONSE TO DRA'S MOTION FOR PUBLIC  
DISCLOSURE OF CONFIDENTIAL TESTIMONY AND RELATED DISCOVERY  
RESPONSES REGARDING PG&E'S ABILITY TO ABSORB FINES AND OTHER  
COSTS RELATED TO ITS GAS TRANSMISSION OPERATIONS**

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February 27, 2013

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The City of San Bruno ("San Bruno") strongly supports the Division of Ratepayer Advocates' ("DRA") "motion for public disclosure of confidential testimony and related discovery responses regarding Pacific, Gas & Electric Company's ("PG&E") ability to absorb fines and other costs related to its gas transmission operations" (the "DRA Motion"). Any testimony addressing PG&E's financial ability to pay penalties in the above-cited proceedings should be disclosed and available for public scrutiny, including the specific subject matter DRA identified in its motion from the (1) DRA testimony of Overland Consulting served by the Commission's Consumer Protection and Safety Division ("CPSD") on September 17, 2012 ("Overland Report"); (2) responsive testimony by Wells Fargo Securities served by PG&E on

January 11, 2013 (“Wells Fargo testimony”); and (3) rebuttal testimony by Overland Consulting, served on February 8, 2013.

Public interest in disclosure is strong, given the severity of harm and damage that the PG&E Line 132 explosion inflicted on San Bruno on September 9, 2010, and the widespread flaws in PG&E’s system uncovered thus far in these proceedings and the others related to them. Without disclosure of the items identified in the DRA Motion, the public will be without valuable and vital information concerning PG&E’s ability to pay a fine that the California Public Utilities Commission (the “CPUC”) will consider as it deliberates and ultimately imposes penalties on PG&E. The alleged confidential information includes industry analyst reports, whether PG&E could raise capital, and references to PG&E’s plans to raise capital. Failure to disclose this critical information will leave San Bruno residents directly affected by the PG&E disaster and the public to wonder if the factors that were concealed from their view are those issues that ultimately influenced the CPUC’s position on fines and penalties.

In the absence of the disclosure requested by the DRA Motion, the public, including those San Bruno residents whose lives were permanently changed by the PG&E explosion, will be unable to accurately ascertain whether the fines ultimately imposed will have an impact on PG&E that is commensurate with the severe harm and devastation the PG&E inflicted on the community on September 9, 2010. San Bruno urges the CPUC to demonstrate to the intervenors in these proceedings, the residents of San Bruno, and to the public at large that its renewed commitment to transparency and accountability is more than mere posturing, and to do so in these cases that are gravely important to the residents of San Bruno and the ratepayers of the State of California. San Bruno has a strong and vested interest in a CPUC process that examines the causes of the PG&E pipeline explosion in a manner that is public and transparent. Confidential treatment of these documents leaves San Bruno’s residents and public out of a critical element of the penalty determination part of the process.

San Bruno has participated in these proceedings in good faith for over two years in reliance on the belief that a just, transparent, reasonable outcome which is in the public interest

can be achieved. Excluding this vitally important information from the public by literally shutting the door to the hearing room is without basis and is an affront to the community. PG&E and the CPUC owe San Bruno a full explanation of what happened, along with a complete description of fines and other penalties the CPUC intends to impose on PG&E to ensure that PG&E's egregious failure to protect the community never happens again. Central to San Bruno's understanding if such fines and penalties is full disclosure to all of the residents of San Bruno, not just some of them, the information the CPUC considers as it reaches its conclusion regarding the scope of a penalty sufficient to deter PG&E from similarly deadly lapses in operation of its system in the future.

PG&E bears a heavy burden to demonstrate some particular harm from public disclosure of any relevant facts. For these reasons, San Bruno respectfully urges the CPUC to grant DRA's Motion and issue an order publicly disclosing the portions of the financial testimony that have been designated as confidential and agrees with DRA that the order should extend to supporting documents produced in discovery, and related discovery responses.

Respectfully submitted,

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