

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 22, 2013

File No.: R.11-02-019

Brian K. Cherry
Vice President - Regulatory Relations
Pacific Gas and Electric Company
P.O. Box 770000
Mail Code B10C
San Francisco, CA 94177

**RE: PG&E's Request for Extension of Time to Comply with Ordering
Paragraph 11 of Decision 12-12-030**

Dear Mr. Cherry:

By your letter dated July 8, 2013, you requested on behalf of Pacific Gas and Electric Company (PG&E) an extension of time, from 30 days to 120 days, to comply with Ordering Paragraph 11 of Decision 12-12-030. That Ordering Paragraph requires PG&E to submit an update to its Pipeline Safety Enhancement Plan 30 days after PG&E completes its Maximum Allowable Operating Pressure validation to present the results of those efforts, as well as revised revenue requirements and related budgets. In your letter, you stated that PG&E had completed its Maximum Allowable Operating Pressure validation on July 1, 2013. Thus, I infer that you are requesting an extension of time to file PG&E's update application from July 31, 2013, to October 29, 2013.

In support of your request, you stated that PG&E must run the updated pipeline segment data through the Pipeline Modernization Program Decision Trees, revise the scope of work included in the original filing, prepare work papers for each proposed updated project, develop a new revenue requirement reflecting the revised projects, and, finally, tabulate new gas rates. You estimated that completing this work will take approximately three months. You also stated that PG&E has been working with the parties to the proceeding to keep them apprised as the update application is prepared.

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The Commission's Division of Ratepayer Advocates (DRA) and The Utility Reform Network (TURN) submitted comments recommending that PG&E should be required to file the update in accordance with the original schedule. DRA and TURN bring up their concern that PG&E is broadening the scope of the updated application and state that "[t]he cost cap serves an important ratepayer and efficiency interest and it should be adjusted downward to take into account the reduced number of projects to be performed based on found pressure test records". (Emphasis in original.)

I am aware that the parties have been unable to agree on a consensus view of the scope of the application ordered in D. 12-12-030.

It is in the interest of the ratepayers to have PG&E provide an update to the Pipeline Safety Enhancement Plan that adequately reflects the information gained from the Maximum Allowable Operating Pressure validation effort. Therefore, for good cause shown and pursuant to Rule 16.6 of the Commission's Rules of Practice and procedure, PG&E's request for the extension is granted. I grant the extension request because PG&E needs more time to update its database to reflect the results of its MAOP and record verification efforts.

This extension does not in any way modify the key provisions of Decision 12-12-030 and should not be used to justify any expansion in scope for the update application.

PG&E shall file and serve the application updating its Pipeline Safety Enhancement Plan no later than October 29, 2013. PG&E shall use the requirements outlined in Decision 12-12-030 as the framework for the update application. Also, PG&E should meet and confer with the parties on the content of its application.

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As provided in Rule 16.6, please serve a copy of this letter on all parties to the proceeding.

Sincerely,

A handwritten signature in cursive script that reads "Paul Clanon". The signature is written in dark ink and is positioned above the printed name and title.

Paul Clanon

Executive Director

cc: Commissioner Michel Peter Florio
ALJ Maribeth A. Bushey