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December 11, 2013

Elizaveta Malashenko
Deputy Director
Office of Utility Safety and Reliability
Safety and Enforcement Division
California Public Utilities Commission

Re: Oakland Incident of Dec 10, 2013

Dear Ms. Malashenko,

I wanted to provide you with some background and an update on where we are in our response to the incident yesterday morning at Golf Links Rd. and Fontaine St in Oakland. First, I want to assure you that we take this and every other incident very seriously and will use what we learn to improve our overall system safety and reliability.

This incident involved a gas leak emanating from a 4 inch steel elbow operating at distribution pressure which was then ignited causing flames along the road pavement. The first PG&E personnel were on site at 8:44 am. The flow of gas was stopped at 11:35 am due to the six foot depth of the elbow which required shoring for excavation safety.

While some early reports speculated that the source of ignition might be underground electric lines, we do not have evidence to make that determination. We do, however, expect to have a better understanding of the direct cause of the leak and ignition source by the end of next week. A more in-depth root cause analysis of the factors that contributed to the leak and ignition will take longer to complete. We will provide the root cause analysis to SED. Attached is a copy of our initial 420 report as well as the most recent leak survey information for this area.

This incident is under active investigation and we have retained outside expertise, Exponent® Engineering, to assist. The section of pipe involved in the incident has been removed from the site and moved to Exponent's Menlo Park offices for testing and analysis [Redacted] The testing will commence Thursday at 10:00 am and we understand that Willard Lam

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of your staff plans to participate. Raymond Thierry at (415) 793-4037 is available to provide additional information about the testing.

Please let me know if you have any questions or require further information.

Sincerely,



Jane Yura
Vice President, Risk and Asset Management

Attachments

Cc: Paul Clanon, CPUC
General Jack Hagen, CPUC

Redacted

Laura Doll, PG&E
Bill Gibson, PG&E