

From: Cherry, Brian K
Sent: 12/19/2013 7:17:54 AM
To: Michel Florio (mike.florio@cpuc.ca.gov)
Cc:
Bcc:
Subject: Fwd: Need time sensitive help tonight/early tmrw

Mike - here is the info on the valves that is a much more precise in its answer. Good luck today. This is why they pay you the big bucks !

Brian K. Cherry
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VP, Regulatory Relations
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Begin forwarded message:

From: "Doll, Laura" <LRDD@pge.com>
Date: December 18, 2013 at 9:09:06 PM PST
To: "Singh, Sumeet" <S1St@pge.com>, "Johnson, Kirk" <MKJ2@pge.com>, "Christopher, Melvin J. (GSO)" <M6CE@pge.com>
Cc: "Cherry, Brian K" <BKC7@pge.com>, "Yura, Jane" <JKY1@pge.com>
Subject: Re: Need time sensitive help tonight/early tmrw

Great explanation Sumeet.
I believe Brian can easily use this to answer Florio's question.

Brian will certainly let us know if he needs more.

Thanks for your always prompt responses!!

From: Singh, Sumeet
Sent: Wednesday, December 18, 2013 09:02 PM
To: Doll, Laura; Johnson, Kirk; Christopher, Melvin J. (GSO)
Cc: Cherry, Brian K; Yura, Jane
Subject: RE: Need time sensitive help tonight/early tmrw

Laura,

Brian's responses regarding Commissioner Florio's questions are spot on. Below is additional information regarding the automated valves associated with L-147:

- Construction for automating the valves on either ends of L-147 has been completed. These valves are not pressure regulators (or controlling devices) but are full open/close valves.
- Valves cannot be put into operation (or commissioned) until the pressure is the same (or equalized) on both sides of the valve meaning that the L-147 pressure has to be raised to be the same as that of L-101 and L-109 & L-132 so that a signal to the valve can be sent from Gas Control to ensure these valves can be opened and closed completely as part of the commissioning process.
- Automated valves will lose their purpose and will have to remain in the closed position if the pressure in L-147 is lower than that of L-101 and L-109 & L-132 which would be analogous to having a manual valve.

Hope this helps and please let me know if you have any questions, require additional information or would like to discuss further. Thank you.

Kirk and Mel,

Please feel free to add or modify the aforementioned response.

Thank you.

Sumeet

From: Doll, Laura
Sent: Wednesday, December 18, 2013 8:32 PM

To: Johnson, Kirk; Singh, Sumeet
Cc: Cherry, Brian K; Yura, Jane
Subject: Need time sensitive help tonight/early tmrw

Kirk and Sumeet

When you follow this long string of emails you will see that Comm Florio is trying to help. We need to make sure he has the right facts -- and the message has to be in short, simple terms.

I just tried to call Mel and he didn't answer; he may be in another time zone and unavailable. But I know that you two can answer these questions and/or clarify if there are any major errors in Brian's hard hitting argument.

Sorry for the short turnaround. But this is THE moment! If we can pull this across tomorrow it will be a hugely important precedent.

Laura

From: Cherry, Brian K
Sent: Wednesday, December 18, 2013 08:06 PM
To: Doll, Laura; Christopher, Melvin J. (GSO); Alien, Meredith
Cc: Bottorff, Thomas E
Subject: Fwd: Line 147 Decision

Also, see my follow up answer to Mike on valves. Please key he know of this isn't correct.

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Begin forwarded message:

From: "Cherry, Brian K" <BKC7@pge.com>
Date: December 18, 2013 at 8:05:11 PM PST
To: "Florio, Michel Peter" <MichelPeter.Florio@cpuc.ca.gov>
Subject: Re: Line 147 Decision

See, I ranted so much I forgot you had another question.

The valves that control the operation between lines 101, 109 and 132 are manual valves. They require people on site and manually ratcheting down or up of pressure with pressure gauges that need to be applied. Crews need to be called in up to 8 hours in advance to make it work. The pressure is increased upwards during that time period. They are not automatic nor are they remotely controlled (an important distinction). Automatic valves are sensitive to pressure changes (ex. A drop in pressure caused by rupture from a seismic event). Remotely controlled valves can be opened or shut through SCADA at our Gas Control Center in San Ramon. Ideally, some day, if customers are willing to pay and regulators approve, most valves would be remotely controlled. Most valves on our system and SoCalGas' are not.

The valves associated with Line 147 are not remotely controlled nor are they automatic. They are manual. I'm happy to take San Carlos out to look at them.

Pretty amazing what I retained from working at SoCalGas for 17 years !

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On Dec 18, 2013, at 7:52 PM, "Florio, Michel Peter"
<MichelPeter.Florio@cpuc.ca.gov> wrote:

Thank you Brian -- you are far from the only one ranting today!! This all makes sense to me. The only other loose end that I see is the City's claim

that they were told automatic valves had already been installed on Line 147. I think those may have been the ones planned for this month, but a little more clarification on what valves exist and what they can do would help. No rest for the weary!
Mike

-----Original Message-----

From: Cherry, Brian K [<mailto:BKC7@pge.com>]

Sent: Wednesday, December 18, 2013 7:43 PM

To: Florio, Michel Peter

Subject: Re: Line 147 Decision

Let me see what I can do.

I believe the simple answer is that Operating at 240 psi doesn't allow line 147 to be used as a crosstie with 101, 109 and 132, which therefore limits the ability to operate the lines efficiently and safely under high stress conditions. I believe under APD and even CWD conditions, that a rupture from a third party dig in on any of those feeder lines with line 147 at 240 psi would result in core and noncore curtailment in the northern peninsula. San Carlos would not be effected unduly but core and noncore residents in SFO would be without gas. During last weeks cold spell, we came close to just that situation with a sewer replacement project in the Peninsula. Keeping line 147 below the 330 psi operating standards also doesn't allow us to isolate sections and spurs off 101, 109 and 132 in a manner to install new automatic valves for needed seismic work, prepare and institute In line inspection pigging or do needed pipeline replacement work in other cities and municipalities. We have already cancelled work in some cities and are likely to

cancel more work planned for 2014 on the Peninsula.

Is it good public policy to have one City disadvantage everyone else with no concern for the greater public good ? More importantly, who are the experts that we are to rely on for good public policy decisions ? SED is the expert on safety and believes 330 psi is appropriate. PG&E's nationally renowned expert Kiefner and Associates found 330 psi to be prudent and acceptable. Should a City that hires it's own third party expert who says something significantly different trump these experts because they simply don't like the result ? If so, it is setting a dangerous precedent for every City that doesn't like something in their neighborhood to jeopardize the safety and well being of others elsewhere on the system.

I'm sorry to rant. Let me see what more I can get tomorrow.

Brian K. Cherry

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On Dec 18, 2013, at 7:14 PM, "Florio, Michel Peter"

<MichelPeter.Florio@cpuc.ca.gov<mailto:MichelPeter.Florio@cpuc.ca.gov>>
wrote:

Brian - this situation is still touch and go given the full court press by San Carlos. I am planning a lengthy explanation in my presentation of the item. It would really help if I had a bit more technically sophisticated explanation of why operating at 240 psi as proposed by San Carlos is no better than operating at 125 as today. I think I understand but want to be sure. Also, San Carlos believes that the valves on Line 147 are automated. I don't think that's true, or if it is, the automation is only shut down and not opening or regulating the flow - is that correct? If someone could get me this information by email prior to the meeting tomorrow it would be really great, but of course I understand the timing problem.

Amazing how I've become "an apologist for PG&E" in just three short years, isn't it?

THANKS, Mike

From: Cherry, Brian K [<mailto:BKC7@pge.com>]

Sent: Wednesday, December 18, 2013 12:13 PM

To: Florio, Michel Peter

Subject: RE: Line 147 Decision

Yes. That's the simple answer. And it is preventing safety work in other communities from being done.

From: Florio, Michel Peter
[<mailto:MichelPeter.Florio@cpuc.ca.gov>]

Sent: Wednesday, December 18, 2013 12:10 PM

To: Cherry, Brian K

Subject: RE: Line 147 Decision

Yeah, I think I get it: in order to function effectively, 147 would have to be at the same pressure as the other interconnected lines - correct?

Dana Williamson from the Gov's office may be calling Tony to ask similar questions, so you should probably warn him. Nothing like trying to "fix" things the day before the meeting!! Let sanity prevail.

From: Cherry, Brian K [<mailto:BKC7@pge.com>]

Sent: Wednesday, December 18, 2013 11:12 AM

To: Florio, Michel Peter

Subject: RE: Line 147 Decision

If it were only so simple.

From: Florio, Michel Peter
[<mailto:MichelPeter.Florio@cpuc.ca.gov>]

Sent: Wednesday, December 18, 2013 10:59 AM

To: Cherry, Brian K

Subject: RE: Line 147 Decision

We want to go ahead but now the Governor's office is asking if we can somehow "compromise" with the City on 240 psi, which is the number they think

they can live with. Mike and I are very leery since we have no basis for that number and don't know the impacts. What would you think if I ask from the dias that PG&E voluntarily limit to 240 unless absolutely necessary to avoid bigger problems? Just trying to find a way to move forward
Mike

From: Cherry, Brian K [<mailto:BKC7@pge.com>]

Sent: Wednesday, December 18, 2013 10:56 AM

To: Khosrowjah, Sepideh; Florio, Michel Peter

Subject: Line 147 Decision

Sepideh/Mike - is the decision a go for the Business Meeting or do you expect it to be held ?

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