



**Pacific Gas and
Electric Company™**

Janet C. Loduca

Mailing Address
P.O. Box 7442
San Francisco, CA 94120

Street/Courier Address
Law Department
77 Beale Street
San Francisco, CA 94105

(415) 973-0174
Fax: (415) 973-5520
Internet: J1Lc@pge.com

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VIA ELECTRONIC MAIL

Glenn Bjorkland
bjorkpvcc@aol.com

Michael Kahn
Folger, Levin & Kahn LLP
275 Battery Street, 23rd Floor
San Francisco, CA 94111
mkahn@flk.com

Carl Wood
Commissioner
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
cxw@cpuc.ca.gov

Re: Pacific Gas and Electric Company's Comments on the California Electricity Generation Facilities Standards Committee's Proposed Generator Facility Logbook Requirements

Dear Committee Members:

Pacific Gas and Electric Company ("PG&E") hereby offers its comments on the California Electricity Generation Facilities Standards Committee's ("Committee") proposed Generator Facility Logbook Requirements, issued on January 31, 2003 (the "Logbook Requirements").

1. PG&E Generating Facilities

As described in earlier comments in this proceeding, PG&E's generating facilities consist of Diablo Canyon Power Plant, a nuclear power plant regulated by the Nuclear Regulatory Commission (NRC), twenty-six (26) hydroelectric projects licensed by the Federal Energy Regulatory Commission (FERC)¹, three (3) non-FERC licensed hydroelectric facilities², and two

¹ PG&E's twenty-six (26) FERC licensed hydroelectric projects, which include sixty-six (66) hydroelectric powerhouses, are Hat Creek 1 & 2 Project (FERC No. 2661), Pit 1 Project (FERC No. 2687), Pit 3, 4, 5 Project (FERC No. 233), McCloud-Pit Project (FERC No. 2106), Battle Creek Project (FERC No. 1121), Kilarc-Cow Creek Project (FERC No. 606), DeSabra-Centerville Project (FERC No. 803), Upper North Fork Feather River Project (FERC No. 2105), Rock Creek-Cresta Project (FERC No. 1962), Bucks Creek Project (FERC No. 619), Poe Project (FERC No. 2107), Narrows Project (FERC No. 1403), Potter Valley Project (FERC No. 77), Drum-Spaulding Project (FERC No. 2310), Chili Bar Project (FERC No. 2155), Mokelumne Project (FERC No. 137), Spring Gap-Stanislaus Project (FERC No. 2130), Phoenix Project (FERC No. 1061), Merced Falls Project (FERC No. 2467), Crane Valley Project (FERC No. 1354),

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fossil power plants, Hunters Point Power Plant and Humboldt Bay Power Plant. Hunters Point Power Plant is scheduled to be shut down in the near future pursuant to a settlement agreement. Humboldt Bay Power Plant includes some small conventional fossil and combustion turbine generating units and a small non-operational nuclear power plant in the early stages of decommissioning.

2. Nuclear and FERC-Licensed Hydroelectric Facilities

Consistent with its earlier comments on the Generator Maintenance Standards, PG&E believes application of the Logbook Requirements to nuclear and FERC-licensed hydroelectric facilities is preempted by the Atomic Energy Act, 42 U.S.C. § 2011 *et seq.*, and Part I of the Federal Power Act, 16 U.S.C. § 791a *et seq.*, respectively. PG&E will not repeat its legal analysis of the preemption issues here, but rather refers the Committee to its December 6, 2002 Prehearing Conference Statement in the California Public Utilities Commission's R. 02-11-039 and its January 17, 2003 comments on the Committee's Draft Generator Maintenance Standards.

In addition, PG&E notes that many of the proposed Logbook Requirements are simply inapplicable to the manner in which PG&E's hydroelectric facilities are operated. For example, most of PG&E's hydroelectric projects are operated remotely from various switching centers. These switching centers generally are manned by one bargaining unit journeyman operator; there are no "shift supervisors" for such facilities. Operation records are not kept at the facility level, but at the switching center responsible for operating the project.

3. Conventional Fossil

In general, PG&E's conventional fossil generating facilities already maintain electronic logs that contain the type of information set forth in the proposed Logbook Requirements, though not necessarily in the same level of detail or the same format laid out in the proposal. PG&E does not object to continuing to maintain its logs in electronic form for the proposed minimum ten (10) year period. However, PG&E does not believe it is necessary to require generators to revise their current logbook systems to conform to some prescribed standard format. The Committee should first evaluate whether a generator's existing logbooks provide the information deemed necessary before requiring generators to engage in a potentially expensive overhaul of their logging systems.

Kerckhoff 1 & 2 Project (FERC No. 96), Helms Project (FERC No. 2735), Haas-Kings Project (FERC No. 2735), Balch 1 & 2 Project (FERC No. 175), Tule River Project (FERC No. 1333), and Kern Canyon Project (FERC No. 178).

² PG&E's three (3) non-FERC licensed hydroelectric facilities are Lime Saddle, Coal Canyon, and Hamilton Branch. Pursuant to PG&E's Plan of Reorganization, PG&E plans to apply to FERC to incorporate the Hamilton Branch facility into the Upper North Fork Feather River Project (FERC No. 2105).

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PG&E notes that the Committee has never identified the purpose and intent behind the Logbook Requirements. PG&E believes that defining this purpose would greatly assist in identifying the necessary information and appropriate level of detail for such logs.

In addition, PG&E does not believe it is necessary to require generators to maintain logbooks in both hard copy and electronic form. One version should be sufficient. It is unnecessary to require generators with electronic logs to maintain what would amount to an incredible volume of paper when the electronic logs can be printed out if and when it becomes necessary. Similarly, it would be burdensome to require generators with hard copy logging systems to computerize their records. The Committee's requirements should focus on substance, rather than form.

4. PG&E's Non-FERC Licensed Hydroelectric Projects

PG&E's non-FERC licensed hydroelectric facilities are each well under 10 MW of capacity. The Hamilton Branch project is approximately 4.8 MW, the Lime Saddle project is approximately 2 MW, and the Coal Canyon project is less than 1 MW. California Public Utilities Code § 761.3 implicitly recognizes that facilities of this size do not have the same potential to affect system reliability as larger units.³ The Committee's standards must recognize that the operation and maintenance practices for these types of very small generating units are appropriately scaled back in comparison to larger units. The Committee's detailed Logbook Requirements are simply inapplicable to (and unnecessary for) generating units with less than 10 MW of capacity. PG&E recommends such facilities be exempt from the Logbook Requirements.

In addition, as discussed above with regard to the FERC-licensed hydroelectric projects, many of the proposed Logbooks Requirements are simply inapplicable to the way the non-FERC licensed hydroelectric projects are operated. PG&E's Lime Saddle, Coal Canyon, and Hamilton Branch projects are all operated remotely; none has a "shift supervisor".

5. Confidentiality

PG&E understands that the current proposal is for generators to *maintain* their logbooks, not to regularly submit them to any particular agency. PG&E agrees this is the appropriate approach. The information contained in generators' logbooks is potentially sensitive and generators have an interest in maintaining the confidentiality of such records. If and when an appropriate agency determines it has a need for such records, confidentiality concerns can be addressed.

³ Section 761.3(g) requires only generating units with a rated maximum capacity of greater than 10 MW to provide the California Independent System Operator with monthly outage or unavailability reports.

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PG&E thanks the Committee for this opportunity to comment on the proposed Logbook Requirements. We look forward to continuing to participate in this proceeding.

Sincerely,

/s/

Janet C. Loduca

cc: Electronic Service List, Rulemaking 02-11-039