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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 with Respect to Facilities Records for its Natural Gas Transmission System Pipelines.

Investigation 11-02-016
(Filed February 24, 2011)

**ADMINISTRATIVE LAW JUDGE'S RULING
GRANTING MOTION FOR EXTENSION OF TIME**

Order Instituting Investigation (OII) 11-02-016 directs Pacific Gas and Electric Company (PG&E) to file a written report and provide certain information enumerated in eight paragraphs on pages 17 - 20 of the OII. An Assigned Commissioner and Administrative Law Judge's Ruling, dated March 24, 2011, granted PG&E's request for an extension of time to provide this information. Accordingly, the date to provide the information was extended from April 18, 2011 to June 18, 2011.¹

¹ June 18, 2011 is a Saturday. Pursuant to Rule 1.15 of the Commission's Rules of Practice and Procedure, the due date is extended to the first work day thereafter. Consequently, PG&E's filing is due on June 20, 2011.

On May 31, 2011, PG&E filed a motion for additional time to complete its response to Paragraph 7 of the OII. Paragraph 7 directs PG&E to respond to the following:

After 1955 and before September 2010, did PG&E keep and maintain records of gas pipe weld failures or defects found before or after use? If yes, identify the date and circumstances of the failures or defects, and provide all documents and data that pertain to such failures or defects.²

In its motion, PG&E states that it had underestimated the magnitude of documents and data to be collected, identified and reviewed in response to Paragraph 7. As such, it will not be able to complete its response to Paragraph 7 by June 20, 2011 and will need an extension of time. PG&E requests that it be allowed to complete its response to Paragraph 7 as specified in its proposed Production Plan.³

Under the Production Plan, PG&E would submit data and documents responsive to Paragraph 7 for high consequence area (HCA) pipelines on a rolling production basis between June 18, 2011 and September 30, 2011. PG&E will produce a substantial quantity of documents for the 1,805 miles of its Class 3 and 4 and Class 1 and 2 high consequence area (HCA) pipelines by June 18, 2011. However, it will need until September 30, 2011 to complete production for the HCA pipelines. Production of data and documents for non-HCA pipelines, however, would not be provided unless requested by parties, after they have reviewed the data and documentation for HCA pipelines.

² OII at 19.

³ The proposed Production Plan is included as Attachment A of the motion.

If requested, PG&E states it would be able to complete its production of data and documents responsive to Paragraph 7 by December 31, 2012.

PG&E notes the extension of time would allow it to coordinate its efforts with its ongoing maximum allowable operating pressure (MAOP) validation effort ordered in Rulemaking (R.) 11-02-019. PG&E argues that coordination of effort would maximize the efficient retrieval of documents and avoid interfering with the MAOP validation effort.

Parties were asked to comment on PG&E's motion at a prehearing conference (PHC) held on June 6, 2011. Generally, parties are not opposed to the request for an extension of time and there is an overall desire by all parties to coordinate this proceeding with the activities in R.11-02-019.

Although supportive of PG&E's request for an extension, both the Commission's Legal Division and The Utility Reform Network (TURN) challenge the definition of "Failure" in the proposed Production Plan. As agreed by PG&E and parties, this definition has been modified to read:

"Failure" means the following: For pre-service weld failures, "failure" means any weld that leaked or ruptured during strength testing. For post-service weld failures, "failure" means a pipe weld that results in the release of gas.

Legal Division also opposes the limitation of the term "pipe" to "transmission pipe." It maintains that PG&E's response to Paragraph 7 should include any pipe that has gas, such as all pipes and valves located at a transmission pipe stations, such as pipes connected to compressor units, and distribution pipes. PG&E maintains that Legal Division's position should not be adopted. It notes that the title of this proceeding refers to PG&E's natural gas transmission system pipelines, and that the other directives in the OII refer to transmission pipelines. Further, PG&E states that it will be providing

information on the pipe going through the transmission station, but not the pipes connected to the compressor, since that is not necessary for the MAOP validation effort.

Although PG&E is correct that the focus of this OII is on its natural gas transmission system, it incorrectly limits the data to be provided to just the pipes and valves associated with the MAOP validation effort. The OII is investigating records associated with PG&E's transmission pipeline system. As defined in 49 C.F.R. 192.3, "pipeline" means "all parts of those physical facilities through which gas moves in transportation, including pipe, valves and other appurtenance attached to pipe, compressor units, metering stations, regulator stations, deliver stations, holders, and fabricated assemblies." Therefore, although the term "pipe" is used in Paragraph 7, it should mean "pipeline." As such, PG&E should include as part of its response to Paragraph 7 data and documents related to its transmission pipeline, including "pipe, valves and other appurtenance attached to pipe, compressor units, metering stations, regulator stations, deliver stations, holders, and fabricated assemblies."

Based on PG&E's and other parties' comments, PG&E's motion to extend the deadline to complete its response to Paragraph 7 of the OII is granted. PG&E's proposed Production Plan is approved, as revised by this Ruling.

IT IS RULED that:

1. PG&E's motion to extend the deadline to complete its response to complete its response to Paragraph 7 of the OII is granted.
2. The following definitions in PG&E's proposed Production Plan are revised as follows:
 - a. The definition of "pipe" means "all parts of those physical facilities through which gas moves in transportation,

including pipe, valves and other appurtenance attached to pipe, compressor units, metering stations, regulator stations, deliver stations, holders, and fabricated assemblies." 49 C.F.R. Section 192.3. "Pipe" is limited to transmission pipe as "transmission" is defined in Department of Transportation regulations.

- b. The definition of "failure" is revised to read: "Failure" means the following: For pre-service weld failures, "failure" means any weld that leaked or ruptured during strength testing. For post-service weld failures, "failure" means a pipe weld that results in the release of gas."
3. PG&E's Production Plan, as revised, is approved.

Dated June 8, 2011, at San Francisco, California.

/s/ AMY C. YIP-KIKUGAWA
Amy C. Yip-Kikugawa
Administrative Law Judge