

Decision \_\_\_\_\_

**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, Regarding the Gas Explosion and Fire on December 24, 2008 in Rancho Cordova, California.

Investigation 10-11-013  
(Filed November 19, 2010)

**DECISION EXTENDING STATUTORY DEADLINE**

**Summary**

Public Utilities Code Section 1701.2(d) provides that adjudication proceedings shall be resolved within 12 months of initiation, unless the Commission makes findings why that deadline cannot be met.

The Presiding Officer’s Decision (POD) was issued on September 29, 2011. As a result of the POD, there are still outstanding issues, and an extension of time is needed to resolve the underlying issues in this proceeding. Today’s decision extends the deadline for resolving this proceeding to March 17, 2012.

**Discussion**

The Order Instituting Investigation into the operations and practices of Pacific Gas and Electric Company (PG&E) concerning the December 24, 2008 natural gas explosion and fire in Rancho Cordova was initiated on November 19, 2010. Following the March 1, 2011 prehearing conference, evidentiary hearings were set for July 18, 2011 through July 29, 2011.

On June 20, 2011, PG&E and the Consumer Protection and Safety Division (CPSD) filed a joint motion “for approval of stipulation to order resolving investigation,” and their “Stipulation to Order Resolving Investigation.” PG&E then entered into a separate stipulation with The Utility Reform Network (TURN). Due to the two stipulations, the evidentiary hearings on the underlying issues were taken off calendar, and an evidentiary hearing was held on July 29, 2011 to hear testimony from the witnesses supporting the two stipulations. Following the July 29, 2011 hearing on the two stipulations, this proceeding was submitted to address the joint motion of PG&E and CPSD, the PG&E and CPSD stipulation, and the PG&E and TURN stipulation.

On September 29, 2011, the presiding officer’s decision (POD) denying the joint motion and rejecting the two stipulations was issued. The POD proposes a penalty amount of \$38 million, instead of the \$26 million agreed to in the PG&E and CPSD stipulation. If the proposed penalty amount of \$38 million is accepted by PG&E, CPSD and TURN, a proposed decision or a modified POD will then be prepared to address the two stipulations and the new penalty amount of \$38 million. If this proposed penalty amount is not acceptable to them, then evidentiary hearings on the underlying issues in this proceeding will then be scheduled. In either event, this proceeding will not be resolved by November 18, 2011.<sup>1</sup>

Accordingly, the current deadline of November 18, 2011 should be extended by an additional 120 days to March 17, 2012.

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<sup>1</sup> On October 19, 2011, a joint motion was filed by CPSD, TURN, and PG&E accepting the proposed penalty amount.

**Waiver of Comments**

Under Rule 14.6(c)(4) of the Commission' Rules of Practice and Procedure, the Commission may reduce or waive the period for public review and comment of decisions extending the deadline for resolving adjudicatory proceedings. We waive the period for public review and comment pursuant to this rule.

**Assignment of Proceeding**

Timothy Alan Simon is the assigned Commissioner and John S. Wong is the assigned Administrative Law Judge in this proceeding.

**Findings of Fact**

1. The Order Instituting Investigation was initiated on November 19, 2010.
2. A joint motion was filed on June 20, 2011 for approval of the PG&E and CPSD stipulation.
3. PG&E then entered into a separate stipulation with TURN.
4. The evidentiary hearings on the underlying issues were taken off calendar, and an evidentiary hearing was held on July 29, 2011 to hear testimony in support of the two stipulations.
5. Following the July 29, 2011 hearing on the two stipulations, this proceeding was submitted to address the joint motion and the two stipulations.
6. A POD was issued on September 29, 2011 denying the joint motion and rejecting the two stipulations, and proposing a penalty amount of \$38 million.
7. If the proposed penalty of \$38 million is accepted by PG&E, CPSD, and TURN, a proposed decision or a modified POD will then be prepared to address the two stipulations and the new penalty amount of \$38 million.
8. If the proposed penalty of \$38 million is not accepted by PG&E, CPSD, and TURN, evidentiary hearings will then be scheduled on the underlying issues.

**Conclusions of Law**

1. This proceeding will not be resolved by November 18, 2011.
2. The current deadline of November 18, 2011 should be extended by an additional 120 days to March 17, 2012.
3. In accordance with Rule 14.6(c)(4), the comment period is waived.

**O R D E R**

**IT IS ORDERED** that the 12-month statutory deadline for resolving this proceeding is extended to March 17, 2012.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.

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