Date of Issuance
November 10, 2011

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's Natural Gas Transmission Pipeline System in Locations with Higher Population Density.	**FILED** **PUBLIC UTILITIES COMMISSION** **NOVEMBER 10, 2011** **SAN FRANCISCO** **I.11-11-009**

ORDER INSTITUTING INVESTIGATION

I. INTRODUCTION AND STATEMENT OF PURPOSE

The Commission institutes this formal investigation to determine whether the named Respondent, Pacific Gas and Electric Company ("PG&E"), violated any provisions of the California Public Utilities Code, Commission rules, general orders, or decisions, federal regulations, or other applicable rules or requirements pertaining to the operation of its natural gas transmission pipeline system in or near locations of higher population density. This Order Instituting Investigation ("OII") will determine whether PG&E's natural gas transmission pipeline system was safely operated in areas of greater population density or other areas identified as High Consequence Areas ("HCAs") pursuant to 49 Code of Federal Regulations ("C.F.R."), §§ 192.5 *et seq*.

This investigation will also review and determine whether PG&E properly and safely reviewed, on a regular basis, its natural gas transmission pipelines to identify areas of increased population density so as to modify its maximum allowable operating pressures (taking pressure gradient into account) commensurate with the actual class location, to replace pipeline segments with stronger pipe commensurate with the actual class location, to review and study changes in population density affecting pipeline design, construction, and testing procedures, and to review the physical condition of pipeline segments including the operation and maintenance history of pipeline segments.

The Commission enforces a variety of federal and state laws that impose safety requirements pertaining to the design, construction, inspection, testing, operation, and maintenance of the intrastate natural gas transmission pipeline systems of California utilities. The purpose of the federal Pipeline Safety Act is "to provide adequate protection against risks to life and property posed by pipeline transportation and pipeline facilities." (49 U.S.C. § 60102(a)(1).) "To accomplish this purpose, the federal Pipeline Safety Act establishes minimum safety standards." (*Northwest Gas Ass'n v. Washington Utilities & Transportation Commission* (2007) 141 Wn.App. 98, 103, 168 P.3d 443 *review denied, Northwest Gas Ass'n v. Washington Utilities & Transportation Commission* (2008) 163 Wn.2d 1049; see also 49 C.F.R. § 192.1.) The Commission is free to adopt more strenuous safety standards.

The Respondent in this proceeding is PG&E, a privately owned public utility subject to the safety and rate jurisdiction and regulation of this Commission, California law, and the Commission's general orders, rules, and decisions, and the minimum federal standards for the transportation of natural gas by pipeline previously mentioned. (See 49 C.F.R. §§ 192.5 *et seq*.) PG&E operates approximately 6,438 miles of natural gas transmission pipeline which includes 1,059 miles of HCAs[1]—50 miles in class 1 locations,[2] 29 miles in class 2 locations,[3] 945 miles in class 3 locations,[4] and

[1] See the NTSB's Accident Report on *PG&E's Natural Gas Transmission Pipeline Rupture and Fire, San Bruno, California, Sept. 9, 2010, NTSB/PAR-11/01, PB2011-916501* ("NTSB's San Bruno Accident Report"), adopted August 30, 2011, at p. 51.

[2] A Class 1 location generally is any class location unit with 10 or fewer buildings intended for human occupancy. A unit is defined as a location extending 220 yards on either side of the centerline of any continuous 1-mile length of pipeline. (49 C.F.R. § 192.5(b)(1).)

[3] A Class 2 location generally is any class location unit having more than 10 but fewer than 46 buildings intended for human occupancy. (49 C.F.R. § 192.5(b)(2).)

[4] A Class 3 location is any class location unit having 46 or more buildings intended for human occupancy. (49 C.F.R. § 192.5(b)(3).)

4 miles in class 4 locations.[5] Class location designations and their definitions are discussed *infra*. Federal minimum standards for natural gas transmission pipelines at 49 C.F.R. §§192.5 *et seq.*, apply to these locations on PG&E's gas transmission pipeline system. Federal transmission pipeline safety standards were first adopted by the United States Department of Transportation ("U.S.D.O.T.") in 1970.

The Commission's General Order ("G.O.") 112 "Governing the Design, Construction, Testing, Operation, and Maintenance of Gas Gathering, Transmission, and Distribution Piping Systems" was adopted in 1960. Following the passage of federal pipeline safety regulations in 1970, G.O. 112 was modified to "automatically incorporate all revisions to the Federal Pipeline Safety Regulations, 49 C.F.R. Parts 190, 191, 192, 193, and 199 with the effective date being the date of the final order as published in the Federal Register." (G.O. 112-E § 104.)

However, even before the Commission issued the original version of G.O.112 and the U.S.D.O.T. adopted minimum safety standards, pipeline operators relied on consensus standards from industry organizations such as the American Standards Association and the American Society of Mechanical Engineers ("ASME"), particularly ASME standard B31.1.8, *Standard Code for Gas Transmission and Distribution Piping Systems*. This ASME standard B31.1.8 would have applied to PG&E's pipeline system before government regulations were adopted. It was modified in 1955 to include the four-tier population density-based class location system set forth in 49 C.F.R. §§ 192.5 *et seq.*, described above. (See the NTSB's San Bruno Accident Report at p. 47.)

II. SUMMARY OF PRELIMINARY FINDINGS

Following the September 9, 2010 fire and explosion resulting from the rupture of PG&E's pipeline L-132 at San Bruno, California, the Commission ordered

[5] A Class 4 location is any class location unit where buildings with four or more stories above ground are prevalent. (49 C.F.R. § 192.5(b)(4).) See also: NTSB's Accident Report, *Pacific Gas and Electric Company, Natural Gas Transmission Pipeline Rupture and Fire, San Bruno, California, Sept. 9, 2010,* NTSB/PAR-1101, PB2011-916501, adopted August 30, 2011, at p. 51.

PG&E to "review the classification of its natural gas transmission pipelines and determine if those classifications have changed since the initial designation." (Resolution L-403, adopted September 23, 2010, Ordering Paragraph 18 (Attachment 1).) Further, the Commission ordered PG&E to "report the results of its review of the classification of its natural gas transmission lines and any subsequent changes to those classifications since PG&E's initial designation to the Executive Director within ten (10) days of the date of this Resolution." (Resolution L-403, Ordering Paragraph 19.) On October 4, 2010, PG&E responded to Resolution L-403 stating that it had "completed the review of its gas transmission pipelines operating at pressures greater than 60 pounds per square inch (PSIG) totaling approximately 6,700 miles of pipeline as directed. PG&E's review utilized its gas transmission pipeline database to compare the classification recorded at initial installation to the current classification…[and] identified 1,057 miles of pipeline where the current classification is different from the initial classification." (PG&E's Oct. 4, 2010 Letter to the Commission's Executive Director (Attachment 2).)

On January 3, 2011, the NTSB issued urgent recommendations to PG&E to determine "the valid maximum allowable operating pressure" for its natural gas transmission lines "in class 3 and class 4 locations that have not had a maximum allowable operating pressure established through prior hydrostatic testing" through a "traceable, verifiable, and complete" search of its "as-built drawings, alignment sheets, and specifications, and all design, construction, inspection, testing, maintenance, and other related records." ((P-10-2) (Urgent) and (P-10-3) (Urgent))[6] The search required, among other things, that PG&E have in its possession, and readily available, complete and up-to-date records of the class designations of all segments of its transmission pipeline system.

[6] See the NTSB's five page Safety Recommendation P-10-2 and -3 (Urgent) and P-10-4) to Mr. Christopher Johns, President, PG&E, dated January 3, 2011, signed by Deborah A.P. Hersman, Chairman, NTSB, (Attachment 3) and the Commission's Executive Director's Letter to PG&E's President, Christopher Johns, dated January 3, 2011, directing PG&E to comply with all of the NTSB's Safety Recommendations (Attachment 4).

A more thorough search was conducted by PG&E which resulted in the "CPUC Class Location Study" ("Class Location Study") dated June 30, 2011 (Attachment 5). However, PG&E informed the Commission in that Study that PG&E was continuing to review its records to confirm "the appropriate MAOP[7] for approximately 100 miles (less than 2%) of the transmission system that, according to information in PG&E's GIS database, may be operating at a higher pressure than appropriate for their current class designation." (Class Location Study at p. 7.) Attachment A to PG&E's Class Location Study provided 54 segments requiring pressure reductions that had no immediate customer impact and Attachment B which contained a list of 13 segments requiring pressure reductions that might impact customers.

Because PG&E has admitted that its class designations are in error for at least some of its transmission pipeline segments, PG&E appears to have failed to comply with federal regulations concerning the protection of persons and property in areas with higher concentrations of human occupancy and activity. Prior to the June 30, 2011 Class Location Study, PG&E does not appear to have reduced the pressure in existing pipeline segments in class 3 and 4 locations as required by 49 C.F.R. § 192.611 or, in the alternative, to replace existing pipeline segments with stronger pipe in these locations as required by that federal regulation.

The Pipeline and Hazardous Materials Administration ("PHMSA") of the U.S.D.O.T. has safety jurisdiction over natural gas transmission pipelines in the United States. (49 U.S.C. § 60101(a)(6)(B).) PHMSA's safety regulations specify minimum safety standards which the states must meet or exceed.[8] (See *Northwest Gas Ass'n v. Washington Utilities & Transportation Commission, supra*.) Among other things PHMSA's pipeline design standards require consideration of the pipeline's proximity to

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[7] Maximum Allowable Operating Pressure ("MAOP").

[8] 49 U.S.C. § 60105(b)(2) provides that a State may be granted safety jurisdiction over its natural gas transmission pipelines so long as the State adopts each safety standard prescribed by the federal government under 49 U.S.C. § 60101 et seq.

population density. Class location designations are reflective of population density in the immediate vicinity of the pipeline. For example, a class 1 location, defined *supra*, is the least densely populated location adjacent to the pipeline while a class 4 location is the most densely populated location adjacent to the pipeline segment. Pipeline segments near the more densely populated areas require stronger pipe or reduced gas pressure to mitigate the potential dangers to those populated areas.

TABLE 1

Class Location	Minimum Yield Strength[9] For Pipeline Segments at MAOP
1	MAOP shall not exceed **72%** of yield strength
2	MAOP shall not exceed **60%** of yield strength
3	MAOP shall not exceed **50%** of yield strength
4	MAOP shall not exceed **40%** of yield strength

PG&E's potential failure to provide adequate safety and protection in violation of the federal minimum standards include the following.

[9] Pressure is derived from the design formula for steel pipe in 49 C.F.R. §192.105. [*P = (2St/D) x F x E x T*.] Using the outside pipe diameter, wall thickness of the pipe in inches, the design factor set forth in 49 C.F.R. § 192.111, the longitudinal joint factor set forth in 49 C.F.R. § 192.113, and a temperature factor set forth in 49 C.F.R. § 192.115, and steel properties in accordance with 49 C.F.R. § 192.107. For example, generally the Maximum Allowable Operating Pressure (MAOP) in a pipeline segment in a class 1 location, with all de-rating factors considered, can produce a hoop stress not exceeding 72% of the pipe Specified Minimum Yield Strength (SMYS). The MAOP for a pipeline segment may not exceed this percentage of minimum yield strength for each of the four class locations. The fact that a segment is one class out-of-class may not result in the segment exceeding the maximum percentage of SMYS. To meet class change conditions, a system operator may either replace the existing pipe with stronger pipe or reduce the pressure in the pipe thereby reducing the stress on the pipe to a level which meets 49 C.F.R. § 192.611.

A. PG&E Has Conceded that it Misidentified the Class Locations of 172.1 Miles of Its Natural Gas Transmission Pipelines

PG&E indicated in its June 30, 2011 Class Location Study that 172.1 miles of its natural gas transmission lines were identified as being located in areas of lower population density than was actually the case. The Class Location Study also identified 54.2 miles of natural gas transmission pipeline that were erroneously classified as class 1 when they were actually class 2 locations. (Class Location Study at p. 4.) The Class Location Study identified 52.1 miles of pipeline that were erroneously classified as class 1 when they were actually class 3 locations. The Class Location Study identified 0.4 miles of pipeline segments that were erroneously classified as class 1 when they were actually class 4 locations. (*Ibid*.) The Class Location Study also identified 64.4 miles of pipeline that were erroneously classified as class 2 when they were actually class 3 locations. (*Ibid*.) Lastly, the Class Location Study identified 1.0 miles of pipeline segments that were erroneously classified as class 3 when they were actually class 4 locations. (*Ibid*.)

B. PG&E's Class Location Study Indicates that PG&E May Have Failed to Have Replaced Pipeline Segments with Stronger Pipe Material, or Reduced the Segment's Maximum Allowable Operating Pressure, When a Segment Designation Changed—Which Would Be a Violation of 49 Code of Federal Regulations, Part 192.611

As mentioned above, federal safety regulations protecting persons and property in areas near natural gas transmission pipelines demand increasing levels of pipeline strength or reduced operating pressures as the human habitation or occupation[10] in those areas increases. PG&E identified 172.1 miles of natural gas transmission

[10] Human habitation and/or occupancy include more than just residential, commercial, or industrial development. Under 49 C.F.R. § 192.903, the concept of population density incorporates other kinds of human development such as public assembly areas at beaches, playgrounds, recreational facilities, camping grounds, outdoor theaters, stadiums, recreational areas near a body of water. It includes areas outside a rural building such as a religious facility, community centers, general stores, 4-H facilities, or

pipeline segments in the Class Location Study that were erroneously classified under 49 C.F.R. §192.5. These locations indicated population densities that were lower than actual population densities. Further, PG&E neither increased the strength of its pipeline segments nor reduced the MAOP for portions of the 52.5 miles of pipeline segments it had misclassified as class 1 when the actual class location designation was class 3 or class 4. Wherever the misclassified pipeline segment required a reduction in MAOP gas pressure, or a replacement with higher strength pipe, the segment may have been operating above federally-mandated maximum levels. Under those circumstances, PG&E would have violated 49 C.F.R. § 192.611.

For instance, where PG&E operated its pipeline system segments at certain class designations lower than the actual existing class designations under 49 C.F.R. §192.5 (e.g., segments operated by PG&E as a class 1 location when, in fact, it was actually a class 3 or class 4 location as identified in PG&E's Class Location Study), the MAOP of those segments' may have exceeded the maximum MAOP permitted under 49 C.F.R. § 192.611—a serious violation. As an example, SMYS for the class 1 locations which may have been limited to 72% would be reduced to a value no higher than 60% of SMYS for a location which became class 3, and no higher than 50% of SMYS for one that became a class4. If PG&E operated a pipeline segment at a class 3 location at an MAOP permitted for a class 1 location), PG&E's MAOP for that particular segment may have significantly exceeded that permitted by 49 C.F.R. § 192.611. Attachments A and B to PG&E's Class Location Study indicated that as of June 30, 2011, PG&E needed to reduce maximum allowable gas pressure for 67 natural gas transmission pipeline segments in order to comply with 49 C.F.R. § 192.611. If PG&E exceeded the maximum allowable operating pressure at these locations for any

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roller skating rinks, and includes hospitals, prisons, schools, day-care facilities, retirement facilities or assisted-living facilities.

period of time, PG&E would have exposed nearby populations to an increased risk of pipeline failure in violation of federal and state safety regulations.

C. A Failure by PG&E to Conduct Class Location Studies Whenever an Increase in Population Density Indicated a Change in Class Location for a Segment of Pipeline Operating at More Than 40 Percent of SMYS Is a Potential Violation of 49 Code of Federal Regulations, Part 192.609

Title 49 C.F.R. § 192.609 requires that PG&E make a study to determine the actual class location of the pipeline segment "whenever" there is a change in population density. The study must compare the design, construction, and testing procedures used in the original construction to the requirements for the new increased class location level. PG&E is required to consider the physical condition of the segment to the extent ascertainable from available records, the operating and maintenance history of the segment, the maximum actual operating pressure and the corresponding hoop stress, taking pressure gradient into account, for the pipeline segment, and the actual area affected by the population density increase including physical barriers or other factors which may limit further expansion of the more densely populated area. (See 49 C.F.R. § 192.609.)

PG&E appears to have failed to conduct these class location studies whenever the class location, previously identified by PG&E for the segment, changed, i.e., a change in class location due to an increase in population density. PG&E's admission in its Class Location Study of June 30, 2011, that 172.1 miles of its transmission pipeline segments were misclassified at too low a class designation, may evidence a failure to comply with the class study requirement under 49 C.F.R. §192.609 at the time population density actually changed. To date, PG&E has not provided evidence that studies were conducted whenever a change in class location occurred. To the contrary, the Class Location Study seems to indicate that a change in class in some class 3 and class 4 locations went undetected by PG&E until June 30, 2011, when the

Class Location Study was performed at the direction of the Commission in Resolution L-403, Ordering Paragraphs 18 and 19 (Sept. 23, 2010).

D. PG&E's Admission that Some Class 3 and Class 4 Locations and Class 1 and Class 2 Locations Were Not Properly Designated Evidences a Potential Failure by PG&E to Adequately Patrol its Natural Gas Transmission System under 49 Code of Federal Regulations Part 192.705.

In order to operate natural gas transmission pipelines commensurate with the strength of the pipe based on the requirements of 49 C.F.R. § 192.611, federal regulations require that pipeline system operators have a patrol program to observe surface conditions on and adjacent to the transmission line right-of-way for indications of leaks, construction activity, and other factors affecting safety and operation. The frequency of patrols is determined by the size of the line, the operating pressures, the class location, terrain, weather, and other relevant factors, but intervals between patrols may not be longer than 15 months (but at least once each calendar year) for Class 1 and 2 up to 4 times each calendar year at intervals not exceeding 4.5 month, in Class 4 locations. (See 49 C.F.R. § 192.705.) The patrolling methods can include walking, driving, flying or other appropriate means of traversing the right-of-way.

PG&E's Class Location Study identifying 172.1 miles of pipeline which were misclassified, sometimes two or more classes or levels out-of-class, demonstrates a possible lack of regular and/or adequate patrolling required under 49 C.F.R. § 192.705 to adequately identify changes in class locations on its general system of natural gas pipelines.

E. PG&E's Admission that Some Class 2, Class 3, and Class 4 Locations Were Not Properly Designated Evidences a Potential Failure to Provide Continuing Surveillance of its Pipeline System under 49 Code of Federal Regulations Part 192.613.

Federal regulations require a natural gas transmission pipeline operator to have a procedure for continuing surveillance of its facilities to determine and take

appropriate action related to changes in class location, failures, leakage history, corrosion, substantial changes in cathodic protection requirements, and other unusual operating and maintenance conditions. (See 49 C.F.R. § 192.613.) PG&E's misidentification of 172.1 miles of pipeline segments evidences a possible failure to adequately surveil its transmission pipeline system for the above-mentioned issues, particularly changes in class location designation.

F. Any Failure by PG&E to Furnish and Maintain Such Adequate, Efficient, Just, and Reasonable Service, Instrumentalities, Equipment, and Facilities, Including Such Service, Instrumentalities, Equipment, and Facilities to Individuals with Disabilities, as Are Necessary to Promote the Safety, Health, Comfort, and Convenience of its Patrons, Employees, and the Public Is A Potential Violation of California Public Utilities Code Section 451.

A failure by PG&E to comply with any of the above-mentioned federal safety regulations for the operation of its natural gas transmission pipeline system may establish a failure on its part to provide Californians in PG&E's service territory with safe, healthful, comfortable, and convenient natural gas transmission service, instrumentalities, equipment, and facilities and, therefore, may constitute a violation of California Public Utilities ("Cal. Pub. Util.") Code § 451.

For instance, a failure to replace pipeline segments with higher-strength pipe or reduce the MAOP on segments in areas of higher population density pursuant to 49 C.F.R. § 192.611, could place persons working or living nearby at serious risk. Allowing pipeline segments to operate at pressures above the federally mandated safety levels under 49 C.F.R. §192.611, would constitute a serious violation of Cal. Pub. Util. Code § 451.

Likewise, a failure by PG&E to commence class location studies under 49 C.F.R. § 192.609 "whenever" the segment's population density increased by another factor, e.g., an increase from class 1 to class 2, or class 1 to class 3, would violate minimum federal safety standards, place nearby workers and occupants at risk, and could be a serious violation of Cal. Pub. Util. Code § 451.

III. PRELIMINARY SCOPING MEMO

Within 30 days of the mailing date of this order, PG&E shall file and serve a response to this OII. If additional time is needed by PG&E, PG&E shall meet and confer with Staff prior to requesting an extension from the Administrative Law Judge ("ALJ").

The assigned ALJ will set a schedule for the Prehearing Conference ("PHC"). The PHC will address scoping and scheduling issues. Shortly thereafter, the Assigned Commissioner will issue a scoping memo setting forth the scope of the proceeding, establishing a procedural schedule and determining the category of this proceeding.

IV. PROCEEDING CATEGORY AND NEED FOR HEARING

Rule 7.1(c) of the Commission's Rules specifies that an Order Instituting Investigation will preliminarily determine the category of the proceeding and the need for hearing. We determine that this proceeding is adjudicatory as defined in Rule 1.3(a), and evidentiary hearings may be necessary. The categorization is appealable under Rule 7.6 of the Commission's Rules of Practice and Procedure.

V. EX PARTE COMMUNICATIONS PROHIBITED

Article 8 of the Commission's Rules of Practice and Procedure applies to all communications with decision makers and advisors regarding the issues in this proceeding. This proceeding is categorized as adjudicatory and Rule 8.3(b) prohibits *ex parte* communications.

VI. PG&E SHALL COMPLETE ITS RESPONSES TO STAFF'S INQUIRIES INTO THE POTENTIAL VIOLATIONS IN THIS PROCEEDING BEFORE COMMENCEMENT OF ITS OWN DISCOVERY INTO STAFF'S INVESTIGATION

In Resolution L-403 the Commission explicitly noted that "public utilities in California are statutorily required to report any facts or expert opinions as to the cause of accidents to the Commission under the Public Utilities Code section 315." ((Resolution L-403 (Sept. 23, 2010) at p. 7).) Further, the Commission provided that

PG&E "shall provide full cooperation to Commission staff and the Panel during the investigation into the cause of the San Bruno explosion and the safety of PG&E's gas transmission pipelines in general." (*Id*. at p. 5.) "Even without the compulsion of a subpoena, the Commission hereby confirms that under Public Utilities Code §§ 313, 314, 314.5, 315, 581, 582, 584, 701, 702, 771, 1794, and 1795, the Commission staff may obtain information from utilities and is already deemed to have the general investigatory authority of the Commission." (*Id*. at p. 6.)

The Commission also noted that it "expect[ed] that PG&E will not withhold facts or expert opinions under the guise of attorney-client privilege or the work product doctrine." (*Id*. at p. 7.) The Commission stated in Resolution L-403 that PG&E was:

> on notice that it must promptly make available its employees and independent contractors for interviews requested by federal investigators (e.g., the National Transportation Safety Board ("NTSB")) and state investigators (e.g., Commission staff or the Panel), including examinations under oath pursuant to Public Utilities Code section 314.

(*Ibid*.)

Consequently, the staff's investigation in this proceeding must be completed before PG&E commences its own inquiries into the results and analysis of staff's report and/or allegations to this Commission. PG&E will be accorded all of the traditional judicial safeguards in the adjudicative hearings in this proceeding that will follow the completion of staff's investigation.

THEREFORE, IT IS ORDERED that:

1. An investigation on the Commission's own motion is hereby instituted to determine whether the Pacific Gas and Electric Company ("PG&E") violated any provision or provisions of the California Public Utilities Code, Commission rules, general orders, or decisions, federal regulations, or other applicable rules or requirements pertaining to the operation of its natural gas transmission pipeline system in class 2 locations, class 3 locations, class 4 locations, or near High Consequence Areas ("HCAs").

2. PG&E is named as the Respondent in this investigation.

3. Staff's investigation in this proceeding shall be completed before PG&E commences its discovery into the results and analysis of staff's investigation.

4. Respondent PG&E is directed to show at hearings why the Commission should not find it in violation of provisions of the Public Utilities Code (Pub. Util. Code), Commission rules, general orders, decisions, federal regulations, or other applicable rules or regulations, and why the Commission should not impose penalties. If any violation by PG&E is found, PG&E is directed to show why penalties and/or any other form of remedial relief should not be applied.

5. PG&E is hereby given notice that fines may be imposed in this matter pursuant to Public Utilities Code §§ 2107 and 2108.

6. Pursuant to Rule 7.1(c) of the Commission's Rules of Practice and Procedure, this proceeding is categorized as adjudicatory, deemed to require evidentiary hearings. *Ex parte* communications are prohibited. The determination as to the category is appealable under Rule 7.6 of the Commission's Rules of Practice and Procedure.

7. A prehearing conference shall be convened before an Administrative Law Judge ("ALJ") for the purpose of establishing a schedule in this matter, including the dates, time, and location of an evidentiary hearing, and for good cause shown the ALJ and/or Assigned Commissioner may extend the report deadlines specified herein, for any particular responses required.

8. The Executive Director shall cause a copy of this Order to be served electronically and by certified mail on the Respondent, PG&E, at:

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This order is effective today.

Dated November 10, 2011, at San Francisco, California.

MICHAEL R. PEEVEY
President
TIMOTHY ALAN SIMON
MICHEL PETER FLORIO
CATHERINE J.K. SANDOVAL
MARK J. FERRON
Commissioners