

California Public Utilities Commission
505 Van Ness Ave., San Francisco

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Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

PRESS RELEASE

Docket #: R.11-02-019

**CPUC LIFTS PRESSURE RESTRICTIONS ON CERTAIN
PG&E PIPELINES FOLLOWING REVIEW**

SAN FRANCISCO, December 15, 2011 - The California Public Utilities Commission (CPUC) today lifted the operating pressure restrictions and set new maximum limits on certain Pacific Gas and Electric Company (PG&E) pipelines after verifying that the utility had undertaken specific safety precautions.

The CPUC today authorized PG&E to operate Lines 101, 132A, and 147 at a pressure no higher than 365 pounds per square inch gauge (psig). Located along the San Francisco Peninsula, Line 101 runs 34 miles from Milpitas Terminal in Santa Clara County to the San Francisco Gas Load Center. Line 132A is a 1.5 mile cross-tie that connects Line 101 to Lines 109 and 132 in the Mountain View area. Line 147 is a 3.8 mile cross-tie that connects Line 101 to Lines 109 and 132.

On September 13, 2010, the CPUC's Executive Director ordered PG&E to reduce the operating pressure on Line 132 to 20 percent below the operating pressure at the time of PG&E's pipeline rupture in San Bruno, Calif. At the same time, PG&E reduced the operating pressure on Lines 101 and 109, and associated cross-ties, including Lines 132A and 147, to 300 psig. The CPUC subsequently established a public process to require PG&E to bring forward its senior officer responsible for gas system engineering to present test data and other information in support of its request to restore any operating pressure.

On November 22, 2011, the CPUC held a public hearing on PG&E's request to increase maximum operating pressure to 365 psig on Lines 101, 132A, 147, and associated shorts. PG&E presented its Vice President of Gas Transmission Maintenance and Construction to testify that PG&E's engineers had validated the engineering and construction through records review of piping and all associated

components, including off-takes, and performed hydrostatic pressure testing on all segments and components for which a prior pressure test result was not available and that will be operating at or above 20 percent of specified minimum yield strength at the increased pressure. PG&E's Vice President concluded that in his professional judgment it is safe to operate Lines 101, 132A, and 147 at 365 psig.

To validate the strength and integrity of Lines 101, 132A, and 147, as well as the shorts associated with each, to operate at 365 psig PG&E has:

- Performed hydrostatic testing in accordance with federal guidelines in all Class 3 and 4 areas and the high consequence areas of Class 1 and 2, where a pressure test record could not be located. Each of the hydrostatic tests included a spike test.
- Verified that all historical pressure test records for the pipelines and associated components located in Class 3 and 4 areas and the high consequence areas of Class 1 and 2 met the pressure test requirements for regulations existing when the facilities were installed.
- Developed a pipeline features list showing each component and its characteristics, and completed maximum operating pressure validation for all pipelines and associated components, including shorts, whether located in high consequence areas or not.
- Conducted 10 excavations to support the operating pressure validation. The excavations focused on obtaining or validating the specifications of pipeline components by performing direct inspection.
- Reviewed Leak Survey information and verified that all identified leaks have been repaired.

The CPUC's Consumer Protection and Safety Division (CPSD) reviewed information provided by PG&E and recommended that the CPUC authorize PG&E to increase pressure in Lines 101, 132A, and 147, and all related shorts.

"The duty to furnish and maintain safe equipment and facilities is PG&E's responsibility," said Commissioner Mike Florio, who is assigned to the proceeding that will establish new rules for the safe and reliable operation of natural gas pipelines in California. "In coming to today's decision, we are satisfied that PG&E has demonstrated that the lines in question can be safely operated at the increased maximum operating pressure."

The proposal voted on is available at

http://docs.cpuc.ca.gov/WORD_PDF/AGENDA_DECISION/155404.pdf.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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