

---

---

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 3, 2016

Mr. Sumeet Singh, Vice President  
Asset & Risk Management of Gas Operations  
Pacific Gas and Electric Company  
6121 Bollinger Canyon Road  
San Ramon, CA 94583

**Subject: Authorization of Gas Reinjection at PG&E's McDonald Island**

Dear Mr. Singh,

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) reviewed PG&E's request to resume gas injection at McDonald Island storage facility. CPUC, in consultation with the Division of Oil, Gas, and Geothermal Resources (DOGGR), authorizes PG&E to resume gas injection into McDonald Island Storage wells in accordance with the instructions outlined in DOGGR's June 30, 2016 letter and any other instructions issued by DOGGR. Storage volume shall not exceed 75 Bcf. In response to the request, SED also directs PG&E to take the following actions:

1. PG&E should monitor its injection and withdrawal activities at McDonald Island Storage;
2. Update CPUC on the effect of the injection and withdrawal activities on the 8 leaking wells and other wells;
3. Notify the CPUC and DOGGR immediately if additional leaks are discovered; and
4. Provide daily reservoir pressure and volume.

CPUC directs PG&E to include the requested information in its daily "McDonald Island Dashboard update" reports that it currently provides to CPUC and DOGGR.

Please contact me if you have any questions

Sincerely,

A handwritten signature in blue ink, appearing to read "Elizaveta Malashenko".

Elizaveta Malashenko  
Director, Safety and Enforcement Division  
California Public Utilities Commission

Cc: Kenneth Bruno- Program Manager- Gas Safety and Reliability Branch  
Ken Harris- State Oil and Gas Supervisor- CA Depart. Of Conservation-DOGGR  
Edward Randolph-Director-Energy Division  
Larry Kennedy- Director- PG&E- Reservoir Engineering