

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the  
Commission's Own Motion to Adopt New  
Safety and Reliability Regulations for Natural  
Gas Transmission and Distribution Pipelines  
and Related Ratemaking Mechanisms

R.11-02-019  
(Filed February 24, 2011)

**REPORT OF PACIFIC GAS AND ELECTRIC COMPANY  
ON STATUS OF MAXIMUM ALLOWABLE OPERATING  
PRESSURE VALIDATION PROJECT  
AS OF APRIL 30, 2011**

STEPHEN L. GARBER  
JONATHAN D. PENDLETON

Pacific Gas and Electric Company  
77 Beale Street  
San Francisco, CA 94105  
Telephone: (415) 973-2916  
Facsimile: (415) 973-5520  
E-Mail: [J1PC@pge.com](mailto:J1PC@pge.com)

JOSEPH M. MALKIN

Orrick, Herrington & Sutcliffe LLP  
The Orrick Building  
405 Howard Street  
San Francisco, CA 94105  
Telephone: (415) 773-5705  
Facsimile: (415) 773-5759  
E-Mail: [jmalkin@orrick.com](mailto:jmalkin@orrick.com)

Attorneys for  
PACIFIC GAS AND ELECTRIC COMPANY

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Pacific Gas and Electric Company (“PG&E”) hereby provides a status update as of April 30, 2011, on PG&E’s records collection, Pipeline Features List (PFL) build, Maximum Allowable Operating Pressure (MAOP) validation efforts, and ongoing efforts to locate records of pressure tests. As described below, PG&E has confirmed complete pressure test records for an additional 134 miles of transmission lines than reported in PG&E’s March 15, 2011, Report on Records and MAOP Validation.

PG&E submitted “PG&E’s Compliance Plan for NTSB Safety Recommendations” (“Compliance Plan”) to the California Public Utilities Commission (“CPUC” or “Commission”) as part of the March 24, 2011 stipulation between PG&E and the Commission’s Consumer Protection and Safety Division (“CPSD”). On April 21, PG&E filed a motion seeking adoption of the MAOP validation methodology included with the Compliance Plan. On April 26, 2011, CPSD issued a letter disagreeing with PG&E’s proposed MAOP validation approach. Pending the Commission ruling on the Compliance Plan and appropriate MAOP validation methodology, PG&E will continue its records collection, PFL build, and MAOP validation efforts as contemplated by the Compliance Plan. Accordingly, PG&E is submitting this monthly status

report for April 2011 as provided in the plan.<sup>1/</sup>

## I. BACKGROUND

On January 3, 2011, the National Transportation Safety Board (“NTSB”) issued three urgent safety recommendations to PG&E with respect to searching for records and validating the MAOP of PG&E’s transmission lines in Class 3 and Class 4 locations and Class 1 and 2 high consequence areas (HCAs).<sup>2/</sup> That same day, Commission Executive Director Clanon sent PG&E a letter directing the company to comply with the first two NTSB recommendations. With respect to the NTSB’s third recommendation, Mr. Clanon said PG&E “will receive further directives from the Commission.” The Commission ratified the Executive Director’s directive in Resolution L-410 (January 13, 2011).

PG&E’s Compliance Plan was submitted to the Commission as Attachment 1 to the March 24, 2011 stipulation between PG&E and CPSD. The Compliance Plan identifies the priorities and the schedule for completing PG&E’s MAOP validation efforts. PG&E and CPSD identified the following four priorities for validating the MAOP for pipeline segments in HCAs for which PG&E has not yet located pressure test records:

- **Priority 1:** 152 miles for segments for which the records indicate the segments have common characteristics with the records for the ruptured segment of Line 132, specifically pre-1962 24 to 36 inch double submerged arc welded (DSAW) pipe or pre-1974 seamless pipe greater than or equal to 24 inches in diameter.
- **Priority 2:** 295 miles for segments for which the records indicate the pipe contains low frequency electric resistance welds (ERW), single-submerged arc welds (SSAW), or flash and lap welded pipe installed prior to 1970.

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<sup>1/</sup> See PG&E’s Compliance Plan for NTSB Safety Recommendations, at pp. 2-3.

<sup>2/</sup> As PG&E has previously noted, this is not the definition of HCAs that PG&E uses for its integrity management program. For the sake of simplicity, this Status Report uses “HCAs” to refer to all the pipe segments in Class 3 and Class 4 locations and Class 1 and 2 HCAs, and phrases such as “HCA pipelines” and “HCA miles” to refer to the pipelines covered by the records validation, not PG&E’s integrity management program.

- **Priority 3:** 206 miles of all remaining segments installed prior to July 1, 1970 for which records are still under review.
- **Priority 4:** 52 miles of all remaining segments installed after July 1, 1970 for which records are still under review.

## II. UPDATE ON PRESSURE TEST RECORDS

Since PG&E’s March 15, 2011 Report on Records and MAOP Validation, PG&E has found significant additional pressure test records.<sup>3/</sup> To keep the very aggressive MAOP validation effort set forth in the Compliance Plan on track, PG&E is not adjusting the scope of the validation work but PG&E will adjust the 2011 hydro test plan to reflect the additional pressure test records already found, and any additional pressure test records that may be found.

Table 1 below shows the results as of April 30, 2011 of PG&E’s records review:

**Table 1**  
**MILES OF PRESSURE TEST RECORDS BY INSTALLATION DATE**

<b>Records</b>	<b>Installed Before 7/1/1961</b>	<b>Installed 7/1/1961 to 6/30/1970</b>	<b>Installed 7/1/1970 and after</b>	<b>Total</b>
Pressure Test (Complete Record)	194	279	679	1152*
Pressure Test (Partial Record)	86	33	12	132
Pressure Test (1968 CPUC Filing)	22	4	N/A	26
Still Reviewing Records	420	36	38	495
<b>Total Miles</b>	<b>722</b>	<b>354</b>	<b>729</b>	<b>1805</b>
<b>% with Pressure Test Records</b>	<b>42%</b>	<b>89%</b>	<b>95%</b>	<b>73%</b>

\* For approximately 320 miles of the lines PG&E has verified pressure test documentation, the STPR footage tested does not equal the pipeline HCA footage. PG&E will continue to analyze all job-related documents such as construction field drawings, sketches, letters, and job notes to confirm that all relevant portions of the line have been pressure tested.

\*\* Figures may not sum due to rounding

<sup>3/</sup> This update utilizes the same approach as the March 15, 2011 Report regarding what constitutes “complete” or “partial” pressure test records. PG&E will provide CPSD with new DVDs that include all the pressure test records identified in PG&E’s records review, updated to reflect the information provide in Table 1. Because many of the documents contain employee names, PG&E is submitting the DVDs under Public Utilities Code section 583. PG&E will promptly redact the employee names and then make the DVDs available to any interested parties.

Table 2 shows the change from what PG&E reported on page 13 of the March 15 Report:

**Table 2**  
**CHANGE IN MILES OF PRESSURE TEST RECORDS BY INSTALLATION DATE**  
**FROM MARCH 15 REPORT**

<b>Records</b>	<b>Installed Before 7/1/1961</b>	<b>Installed 7/1/1961 to 6/30/1970</b>	<b>Installed 7/1/1970 and after</b>	<b>Total</b>
Pressure Test (Complete Record)	+106	+6	+21	+134
Pressure Test (Partial Record)	+7	-1	-7	-1
Pressure Test (1968 CPUC Filing)	-34	0	N/A	-33
Still Reviewing Records	-79	-5	-14	-100
<b>Total Miles</b>	<b>722</b>	<b>354</b>	<b>729</b>	<b>1805</b>
% with Pressure Test Records	+11%	+1%	+2%	+6%

\* Figures may not sum due to rounding

With respect to the 152 miles of Priority 1 segments, PG&E has located complete pressure test records for 5 miles, which no longer need to be hydro tested. PG&E has also located an additional 41 miles of pressure test records where PG&E has verified the pressure test documentation, but the Strength Test Pressure Report (STPR) footage does not equal the pipeline HCA footage. PG&E anticipates that as the PFL build process continues for those segments we may be able to verify that a particular section was hydrotested. This, as well as any additional pressure test records that may be located, could further reduce the number of Priority 1 miles to be hydro tested.

### **III. STATUS REPORT**

In the proposed Compliance Plan, PG&E committed to submit monthly reports to the Commission on the progress made in the following areas toward meeting the Commission’s directives.

- Status of “traceable, verifiable and complete” documentation of “all as-built drawings, alignment sheets, and specifications, and all design, construction, inspection, testing, maintenance and other related records.” The purpose of this effort is to prepare the PFL folder, which contains the records documentation that will support the eventual PFL for

each pipeline segment and respective components (e.g., valves, sleeves, bends, fittings, etc.), including as-built construction drawings, pipeline plan and profile drawings, bill of materials, material requisitions and specifications, A-forms, and pressure test records. PG&E has completed this phase for all 152 miles of Priority 1 segments, and remains on track to complete this work, consistent with the time frames set forth in the pending Compliance Plan for the remaining priority categories.

- Status of compilation of the PFL, including identification of all assumptions made in completing the PFL and of all field work to complete the PFL, and the results of all field work. As of April 30, 2011, the PFLs are under development for all 152 miles of Priority 1 pipe and will be undergoing a quality control check, including physical field verification of some pipeline characteristics. PG&E is on track to provide results for Priority 1 segments by June 30, 2011. No excavations were performed in April, although they began in early May for the Priority 1 pipe.
- Status of PG&E's progress in using "the traceable, verifiable, and complete records ... to determine the valid maximum allowable operating pressure, based on the weakest section of the pipeline or component." PG&E will begin this work after the pipeline segments have gone through the quality assurance and quality control processes.
- Summary of Quality Assurance/Quality Control recommendations and resulting process changes. PG&E has a team dedicated to perform Quality Control (QC) of all PFLs and has also identified a separate team of contractors to be responsible for independent quality assurance (QA) work throughout the MAOP Validation Project. There are presently no QA/QC recommendations or process changes.
- Discussion of any change PG&E makes to the transmission pipeline system as a result of any of the MAOP validation efforts. As discussed above, PG&E has not yet completed the MAOP validation work for the 705 miles that are covered by the Compliance Plan, and hence no changes are currently contemplated.

#### IV. CONCLUSION

PG&E remains committed to operating and maintaining its gas transmission pipeline system safely and reliably. The information PG&E is gathering, including the Pipeline Features Lists are important components of our goal of improving our overall system performance and safety.

Respectfully Submitted,

STEPHEN L. GARBER  
JONATHAN D. PENDLETON  
JOSEPH M. MALKIN

By: \_\_\_\_\_ /s/  
STEPHEN L. GARBER

PACIFIC GAS AND ELECTRIC COMPANY  
77 Beale Street  
San Francisco, CA 94105  
Telephone: (415) 973-8003  
Facsimile: (415) 973-5520  
E-Mail: SLGO@pge.com  
[jmalkin@orrick.com](mailto:jmalkin@orrick.com)

Attorneys for  
PACIFIC GAS AND ELECTRIC COMPANY

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