

March 22, 2002

Advice 2209-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Submits Notification of the Conveyance of Easement to CPN Pipeline Company

Purpose

The purpose of this filing is to comply with Ordering Paragraphs 2 and 3 of Decision (D.) 02-01-058, which require PG&E to amend Sections 15 and 16 of the easement agreement, and to submit a copy of the final easement documents by advice letter filing to the Commission.¹

Ordering Paragraph 2 states:

“PG&E shall amend Section 15, regarding Assignment; Agreement to Dedicate and Section 16, regarding Collateral Assignment, of its proposed agreement with CPN to require advance notice to PG&E and Commission approval of any proposed assignment, transfer, conveyance, or mortgage of the easement that would alter the terms of the easement.”

Ordering Paragraph 3 states:

“PG&E shall submit a copy of final easement documents by advice letter filing within sixty (60) days of this order.”

This filing submits the final easement documents as amended to reflect the modification ordered in Ordering Paragraph 2. Under Ordering Paragraph 2, Commission approval is required when proposed assignment, transfer, conveyance or mortgage of the easement would alter the terms of the easement. PG&E and CPN Pipeline Company (CPN Pipeline), however, note that a straight

¹ PG&E reserves all legal rights to challenge the decisions or statutes under which it has been required to make this advice filing, and nothing in this advice filing constitutes a waiver of such rights. Also, PG&E reserves any additional legal rights to challenge the requirement to make this advice filing by reason of its status as a debtor under Chapter 11 of the Bankruptcy Code, and nothing in this advice filing constitutes a waiver of such rights.

assignment transfer, conveyance or mortgage of the easement to another party, without any other modification, would not change the terms of the easement.² Therefore CPN Pipeline and PG&E understand D. 02-01-058 as not requiring Commission approval to be obtained for an assignment transfer, conveyance or mortgage that is limited solely to a change in the grantee.

Background

In Application (A.) 01-10-041, filed October 25, 2001, PG&E requested Commission approval, pursuant to Public Utilities Code Section 851, for permission to grant an easement to CPN Pipeline, allowing it to install and maintain gas pipelines on PG&E utility property for purposes of operating a pigging station on adjacent property. The Commission approved the request in D. 02-01-058.

This filing will not increase any rate or charge, cause the withdrawal of service, nor conflict with any rate schedule or rule.

Effective Date

PG&E requests that this advice letter become effective upon approval.

Notice

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for A. 01-10-041. Address changes should be directed to Nelia Avendano at (415) 973-3529. Advice letter filings can also be accessed electronically at:

http://www.pge.com/customer_services/business/tariffs/

Vice President - Regulatory Relations

Attachments

cc: Service List – A. 01-10-041

² On or about March 11, 2002, CPN Pipeline filed a petition to modify D. 02-01-058. In its petition, CPN Pipeline requests *inter alia*, that, with regards to Ordering Paragraph 2, the Commission “confirm that a collateral assignment or any other assignment does not alter the terms of the easement and would not require any additional Commission approval.” The CPN Pipeline petition to modify D. 02-01-058 is still pending.