



October 14, 2009

Advice 3053-G/3540-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Add Additional Site to the Hazardous Substance Mechanism

Purpose

Pacific Gas & Electric Company (PG&E) hereby requests Commission approval to include one additional site, ERF Power Pole Claim, for wood power poles located in Counties of Alameda, Contra Costa, Marin and San Francisco, California, to its Hazardous Substance Cost Recovery Account as referenced within Gas Preliminary Statement Part AN and Electric Preliminary Statement Part S *Hazardous Substance Mechanism*, in compliance with Decision (D.) 94-05-020. A description of the site is set forth in Attachment 1 to this filing.

Background

D.94-05-020 requires California utilities to file an advice letter in order to include additional sites as part of the Hazardous Substance Mechanism. For each site the advice letter shall list: 1) the name of the site(s); 2) the location of the site(s); 3) the source, nature and approximate date of the contamination; 4) utility operations (historical and current) at the site(s), if any; and 5) environmental agency actions and oversight regarding the site(s), if any. In addition, D. 96-07-016 requires utilities to demonstrate that: 1) clean-up costs for which recovery is being sought are not being recovered through base rates or through any other recovery procedure, and 2) all of the costs for which recovery is being sought are hazardous waste clean-up costs (including insurance costs) found appropriate for recovery in the Collaborative Report.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **November 3, 2009**, which is 20 days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

CPUC Energy Division
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: mas@cpuc.ca.gov and jnj@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Honesto Gatchalian, Energy Division, at the address shown above. It is also requested that a copy of the protest be sent via postal mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company
Attention: Brian K. Cherry
Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PG&ETariffs@pge.com

Effective Date

PG&E requests that this advice filing become effective on **November 13, 2009**, which is 30 days after the date of filing. This Advice Letter is submitted as a Tier 2 filing.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes and approval letters should be sent to e-mail PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs/>.

A handwritten signature in cursive script that reads "Brian Cherry / mt".

Vice President - Regulatory Relations

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type:

☒ ELC

☒ GAS

☐ PLC

☐ HEAT

☐ WATER

Contact Person: Linda Tom-Martinez

Phone #: (415) 973-4612

E-mail: lmt1@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **3053-G/3540-E**

Tier: 2

Subject of AL: **Add Additional Site to the Hazardous Substance Mechanism**

Keywords (choose from CPUC listing): HSM

AL filing type: ☐ Monthly ☐ Quarterly ☐ Annual ☒ One-Time ☐ Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: **D.94-05-020**

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for:

Confidential information will be made available to those who have executed a nondisclosure agreement: ☐ Yes ☐ No

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: _____

Resolution Required? ☐ Yes ☒ No

Requested effective date: **November 13, 2009**

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Tariff Files, Room 4005

DMS Branch

505 Van Ness Ave.,

San Francisco, CA 94102

jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Brian K. Cherry

Vice President, Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

Site Name: ERF Power Pole Claim

Location: Wood power poles located in Counties of Alameda, Contra Costa, Marin and San Francisco, California

Source, Nature, and Approximate Date of Contamination: The Ecological Rights Foundation (ERF) of Garberville, California, has alleged that PG&E power poles located in four Bay Area counties have released and continue to release hazardous chemicals into the surrounding soil and groundwater in violation of the federal Clean Water Act (CWA) and Resource Recovery and Conservation Act (RCRA). In a June 4, 2009 letter to PG&E entitled Notice of Intent to File Citizen Suit to PG&E ("Notice"), which was copied on various State and federal environmental agencies, ERF claims that the power poles release pentachlorophenol (PCP), a wood preservative, into the environment by washing off the poles during rainfall events as well as by being deposited in surrounding soils as sawdust generated by pole maintenance activity, weather impacts on the poles, and pole damage by bird and insect activity. The claim seeks various forms of relief including additional permitting and the investigation around all the referenced power poles as well as remediation of any impacted soils. The site to be included in the HSM is as described in the ERF Notice, namely: "each and every Pole located in Alameda, Contra Costa, Marin and San Francisco Counties, to the extent the pole has been treated with the oil-pentachlorophenol mixture." (The list of pole locations that was included in ERF's Notice as Exhibits A and B, is included as Attachment 2 hereto). PG&E is performing initial investigations at some of the poles meeting the description in the Notice, and is also responding to the claims as well as taking action to seek contributions as appropriate from other potentially responsible third parties. These third parties include joint pole owners and tenants which, if PG&E were found liable, should be held jointly liable for any cleanup costs relating to the jointly-owned poles.

Utility Operations at the Site: PG&E uses approximately 300,000 wood power poles in the distribution of electricity to its customers in the Counties of Alameda, Contra Costa, Marin, and San Francisco. A substantial number of these poles have been treated with an oil-PCP mixture approved by the USEPA as a preservative for this purpose. PG&E estimates that it fully owns approximately 20% to 30% of the poles in these four counties, combined. As a member of the Northern California Joint Pole Association (NCJPA), PG&E jointly owns approximately 70% to 80% of the poles in these four counties, combined. Although PG&E was named as the sole responsible party in the Notice, PG&E will be seeking contribution from all other joint pole owners in these counties for cost-sharing of any HSM clean-up costs incurred relating to the jointly-owned poles.

Environmental Agency Actions: There are no agency actions to date.

Nature of Costs: The ERF Power Pole Claim cleanup costs and costs to seek potential third-party recoveries for which PG&E is seeking HSM inclusion and recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs and third-party recovery costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**EXHIBIT A TO ERF NOTICE LETTER:
Location of the Poles Violating RCRA**

Poles in Corte Madera

1. On Redwood Highway, south of the intersection of Redwood Highway and Wornum, Corte Madera.

Poles in Larkspur

2. On Redwood Highway, north of the intersection of Redwood Hwy and Wornum, just into Larkspur (pole 14/ 126).
3. Within the Corte Madera Marsh, near the boundary between Larkspur and Corte Madera, on the western boundary of the Corte Madera Marsh.
4. In front of 2150 Redwood Highway, near De Bel Roofing Supply.
5. North of Pole No. 4 on Redwood Highway.
6. North of Pole No. 5 on Redwood Highway and around the corner on unnamed side street, next to building located around the corner.
7. A series of poles adjacent to "Greenbrae Boardwalk," a walkway leading to several homes that are raised up on stilts. The poles are installed in a marsh adjoining San Francisco Bay.

Poles in San Rafael

8. At the northeast corner of the intersection of Las Gallinas & Manuel Freitas Parkway, near the Northgate Shopping Mall (pole 1065).
9. At the southeast corner of the intersection of Las Gallinas & Manuel Freitas Parkway, near the Northgate Shopping Mall, San Rafael
10. Toward the end of Mooring Road, on the west side of the street.
11. Toward the end of Mooring Road, on the east side of the street.
12. Near the intersection of Belle and Park Street.
13. Near the intersection of Jewell and Broadview in front of 222 Broadview.
14. Near the intersection of Mark Twain & Lowell Avenue, in front of 215 Mark Twain.

15. In front of 11 Mabry Way.
16. A series of poles located in the Santa Venetia Marsh extending from the end of Vendola Avenue well into the marsh.

Poles in Sausalito

17. At the intersection of Bridgeway and Humboldt.
18. On Humboldt, east of the intersection of Bridgeway and Humboldt.
19. Adjacent to the Sausalito Police Station Parking lot, on Humboldt, east of the intersection of Bridgeway and Humboldt.

Poles in San Francisco

20. In front of 5500 Anza Street, at the corner of Anza Street and 46th Avenue.
21. At the southeast corner of 44th Avenue and Anza Street (pole 110021957).
22. At the southeast corner of 43rd and Anza Street.
23. In front of 5120 Anza Street.
24. 37th Avenue, near the corner of Anza Street, right next to Lafayette Elementary School.
25. At the northeast corner of 37th Avenue and Anza Street, across the street from Lafayette Elementary School.
26. In front of 622 36th Avenue, across the street from Lafayette Elementary School.
27. In front of 676 36th Avenue.
28. At the northwest corner of 38th Avenue and Balboa.
29. In front of 3828 Balboa Avenue.
30. In front of 3320/3322 Balboa Avenue.

Poles in Albany

31. Marin Avenue at Sante Fe, southeast corner, Pole No. 110253335, adjacent to Marin Elementary School.
32. Marin Avenue at Sante Fe, southeast corner, Pole No. 110253336, adjacent to Bright Star Montessori Pre-School.

33. Sante Fe Street south of Marin, Pole #110253331, adjacent to Marin Elementary School.

Poles in Berkeley

34. Virginia at Eastshore Highway, Pole No. 110182185.
35. Addison Way west of 4th Streets, Pole No. #110085313.
36. Gilman at Eastshore Highway off ramp and 2nd Street, two poles in front of Budget Rent-a-Car, Pole number not visible due to large number of music posters.
37. Berkeley, terminus of Virginia Street west of Frontage Road, Pole No. 110248806.
38. In front of 1301 Spruce Street, Pole No. 110248759.
39. Oxford Street at Berryman Path, Pole No. 110378995.
40. Oxford Street north of Berryman Path, Pole No. 110378995.
41. Oxford Street south of Berryman Path, Pole No. 110255550.
42. Cedar Street at Chestnut street, south side of street, Pole No. 110165435.
43. 1300 Rose Street at Chestnut, Pole No. # 110165286.
44. Rose Street at Edith Street, across from King Middle School, Pole No. 110160934.
45. Haste Street, west of Bowditch Street, Pole No. 110314302.
46. Haste Street, west of Bowditch Street, Pole No. 110234079.
47. Haste Street, west of Bowditch Street. Pole No. 110222813.
48. Haste Street, west of Telegraph Avenue, Pole No. 110217964, in front of former Cody's books.
49. Haste Street, west of Telegraph, Pole No. 110217966. stamped McFarland Cascade 11-2004. IMG_4062 to 4064.
50. Corner of Haste Street and Dana Streets, south side of street, Pole No. 110217960.
51. Corner of Haste Street and Dana Streets, north side of street, Pole No. 110217968.

Poles in Martinez

52. A series of Poles located on Pleasant Hill Road between the intersection of Alhambra Avenue, John Muir Road, and Pleasant Hill Road and (northwest to) the intersection of

Alhambra Way, Muir Station Road and Pleasant Hill Road. These Poles include Pole Nos. 110261640, 110261639, 110261638, an unnumbered pole near 11021638, 110261599, 110261598, 110261600, 110265664, 110265665, an unnumbered Pole close to Pole No. 110265665, 110265662, 110265659, 110265660, an unnumbered Pole close to Pole No. 110265663, 110179672, 110179667, 110179662, 110179661, 110261653 and 110261590.

53. Three Poles located on Laurel Court, Pole Nos. 110261645, 110261644, and 110261646.

**EXHIBIT B TO ERF NOTICE LETTER:
Location of the Poles Violating the CWA**

Poles in Corte Madera

1. On Redwood Highway, south of the intersection of Redwood Highway and Wornum, Corte Madera.

Poles in Larkspur

2. On Redwood Highway, north of the intersection of Redwood Hwy and Wornum, just into Larkspur (pole 14/ 126).
3. Within the Corte Madera Marsh, near the boundary between Larkspur and Corte Madera, on the western boundary of the Corte Madera Marsh.
4. In front of 2150 Redwood Highway, near De Bel Roofing Supply.
5. North of Pole No. 4 on Redwood Highway and around the corner on unnamed side street, next to building located around the corner.
6. A series of poles adjacent to "Greenbrae Boardwalk," a walkway leading to several homes that are raised up on stilts. The poles are installed in a marsh adjoining San Francisco Bay.

Poles in San Rafael

7. At the northeast corner of the intersection of Las Gallinas & Manuel Freitas Parkway, near the Northgate Shopping Mall (pole 1065).
8. At the southeast corner of the intersection of Las Gallinas & Manuel Freitas Parkway, near the Northgate Shopping Mall, San Rafael
9. Near the intersection of Belle and Park Street.
10. Near the intersection of Jewell and Broadview in front of 222 Broadview.
11. Near the intersection of Mark Twain & Lowell Avenue, in front of 215 Mark Twain.
12. In front of 11 Mabry Way.
13. A series of poles located in the Santa Venetia Marsh extending from the end of Vendola Avenue well into the marsh.

Poles in Sausalito

14. At the intersection of Bridgeway and Humboldt.
15. On Humboldt, east of the intersection of Bridgeway and Humboldt.

Poles in Berkeley

16. Virginia at Eastshore Highway, Pole No. 110182185.
17. Addison Way west of 4th Streets, Pole No. #110085313.
18. Gilman at Eastshore Highway off ramp and 2nd Street, two poles in front of Budget Rent-a-Car, Pole number not visible due to large number of music posters.
19. Berkeley, terminus of Virginia Street west of Frontage Road, Pole No. 110248806.
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21. Oxford Street at Berryman Path, Pole No. 110378995.
22. Oxford Street north of Berryman Path, Pole No. 110378995.
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25. Rose Street at Edith Street, across from King Middle School, Pole No. 110160934.
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29. Haste Street, west of Telegraph Avenue, Pole No. 110217964, in front of former Cody's books.
30. Haste Street, west of Telegraph, Pole No. 110217966. stamped McFarland Cascade 11-2004. IMG_4062 to 4064.
31. Corner of Haste Street and Dana Streets, south side of street, Pole No. 110217960.
32. Corner of Haste Street and Dana Streets, north side of street, Pole No. 110217968.

Poles in Martinez

33. A series of Poles located on Pleasant Hill Road between the intersection of Alhambra Avenue, John Muir Road, and Pleasant Hill Road and (northwest to) the intersection of Alhambra Way, Muir Station Road and Pleasant Hill Road. These Poles include Pole Nos. 110261640, 110261639, 110261638, an unnumbered pole near 11021638, 110261599, 110261598, 110261600, 110265664, 110265665, an unnumbered Pole close to Pole No. 110265665, 110265662, 110265659, 110265660, an unnumbered Pole close to Pole No. 110265663, 110179672, 110179667, 110179662, 110179661, 110261653 and 110261590.
34. Three Poles located on Laurel Court, Pole Nos. 110261645, 110261644, and 110261646.

**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

Aglet	Defense Energy Support Center	Occidental Energy Marketing, Inc.
Alcantar & Kahl	Department of Water Resources	OnGrid Solar
Ameresco	Department of the Army	Praxair
Anderson & Poole	Dept of General Services	R. W. Beck & Associates
Arizona Public Service Company	Division of Business Advisory Services	RCS, Inc.
BART	Douglas & Liddell	Recon Research
BP Energy Company	Douglass & Liddell	SCD Energy Solutions
Barkovich & Yap, Inc.	Downey & Brand	SCE
Bartle Wells Associates	Duke Energy	SMUD
C & H Sugar Co.	Dutcher, John	SPURR
CA Bldg Industry Association	Ellison Schneider & Harris LLP	Santa Fe Jets
CAISO	FPL Energy Project Management, Inc.	Seattle City Light
CLECA Law Office	Foster Farms	Sempra Utilities
CSC Energy Services	G. A. Krause & Assoc.	Sierra Pacific Power Company
California Cotton Ginners & Growers Assn	GLJ Publications	Silicon Valley Power
	Goodin, MacBride, Squeri, Schlotz & Ritchie	Silo Energy LLC
California Energy Commission	Green Power Institute	
California League of Food Processors	Hanna & Morton	Southern California Edison Company
California Public Utilities Commission	International Power Technology	Sunshine Design
Calpine	Intestate Gas Services, Inc.	Sutherland, Asbill & Brennan
Cameron McKenna	Los Angeles Dept of Water & Power	Tabors Caramanis & Associates
Casner, Steve	Luce, Forward, Hamilton & Scripps LLP	Tecogen, Inc.
Chamberlain, Eric	MBMC, Inc.	Tiger Natural Gas, Inc.
Chevron Company	MRW & Associates	Tioga Energy
Chris, King	Manatt Phelps Phillips	TransCanada
City of Glendale	Matthew V. Brady & Associates	Turlock Irrigation District
City of Palo Alto	McKenzie & Associates	U S Borax, Inc.
Clean Energy Fuels	Merced Irrigation District	United Cogen
Coast Economic Consulting	Mirant	Utility Cost Management
Commerce Energy	Modesto Irrigation District	Utility Specialists
Commercial Energy	Morgan Stanley	Verizon
Consumer Federation of California	Morrison & Foerster	Wellhead Electric Company
		Western Manufactured Housing Communities Association (WMA)
Crossborder Energy	New United Motor Mfg., Inc.	eMeter Corporation
Davis Wright Tremaine LLP	Norris & Wong Associates	
Day Carter Murphy	North Coast SolarResources	