

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 29, 2011

**Advice Letter 3192-G/3810-E**

Jane K. Yura  
Vice President, Regulation and Rates  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10B  
P.O. Box 770000  
San Francisco, CA 94177

**Subject: Add Two New Sites to Hazardous Substance Mechanism**

Dear Ms. Yura:

Advice Letter 3192-G/3810-E is effective March 30, 2011.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director  
Energy Division



**Jane K. Yura**  
Vice President  
Regulation and Rates

Pacific Gas and Electric Company  
77 Beale St., Mail Code B10B  
P.O. Box 770000  
San Francisco, CA 94177

Fax : 415-973-6520

February 28, 2011

**Advice 3192-G/3810-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject: Add Two New Sites to Hazardous Substance Mechanism**

**Purpose**

Pacific Gas & Electric Company ("PG&E") hereby requests California Public Utilities Commission ("Commission") approval to include two additional sites in the Hazardous Substance Cost Recovery Account as referenced within Gas Preliminary Statement Part AN and Electric Preliminary Statement Part S, *Hazardous Substance*, in compliance with Decision ("D.") 94-05-020. A description of each site is set forth in Attachment I to this filing. The sites are as follows:

<b>Site Name</b>	<b>Location</b>
San Francisco 6000 3 <sup>rd</sup> Street	6000 3 <sup>rd</sup> Street, San Francisco, CA
Richmond Pipeline	Richmond to Pittsburg Contra Costa County, CA

## **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 **March 21, 2011**, which is **21** 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, 4<sup>th</sup> Floor  
505 Van Ness Avenue  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov) and [jnj@cpuc.ca.gov](mailto: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 Pacific Gas and Electric Company on the same date it is mailed or delivered to the Commission at the address shown below:

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\* Since the protest period ends on a weekend, PG&E is therefore moving the end of the protest period to the following business day.

Pacific Gas and Electric Company  
Attention: Jane K. Yura  
Vice President, Regulation and Rates  
77 Beale Street, Mail Code B10B  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-6520  
E-mail: PG&ETariffs@pge.com

### **Effective Date**

PG&E requests that this advice filing become effective on **March 30, 2011**, 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 to the General Order 96-B service list should be directed to e-mail [PGETariffs@pge.com](mailto:PGETariffs@pge.com). Send all electronic approval letters to [PGETariffs@pge.com](mailto:PGETariffs@pge.com). Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.



Vice President – Regulation and Rates

cc: Robert Finkelstein - TURN ([bfinkelstein@turn.org](mailto:bfinkelstein@turn.org))

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) #: **3192-G/3810-E**

**Tier: 2**

Subject of AL: **Add Two New Sites to 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 AL<sup>1</sup>: \_\_\_\_\_

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: **March 30, 2011**

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 proposed<sup>1</sup>: 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: Jane K. Yura**  
**Vice President, Regulation and Rates**  
**77 Beale Street, Mail Code B10B**  
**P.O. Box 770000**  
**San Francisco, CA 94177**  
**E-mail: PGETariffs@pge.com**

**Site Name:** San Francisco 6000 3<sup>rd</sup> Street

**Location:** 6000 3<sup>rd</sup> Street, San Francisco, CA

**Source, Nature, and Approximate Date of Contamination:**

PG&E leased the 6000 3<sup>rd</sup> Street property for use as a temporary transformer storage and repair facility from 1974 until 1980. PG&E had installed the tank for oil storage as part of the lease, with the agreement that the tank would be removed upon our exit. The current owner of the property is in the process of selling the property. In November 2010, PG&E was informed by the owner's consultants that PCBs were found in the soil at the vicinity of the former tank. The owner is seeking costs for remediation from PG&E.

**Utility Operations at the Site:**

PG&E used the site as a temporary transformer storage and repair facility from 1974 to 1980.

**Environmental Agency Actions:**

The property owner has notified the City of San Francisco and the California Environmental Protection Agency.

**Nature of Costs:**

The site cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. Cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Richmond Pipeline

**Location:** Richmond to Pittsburg  
Contra Costa County, CA

**Source, Nature, and Approximate Date of Contamination:**

PG&E constructed the Richmond Pipeline in 1975 to transport fuel oil from Richmond to the Pittsburg and Contra Costa Power Plants. In 1999, PG&E sold the Pittsburg and Contra Costa power plants to Mirant. PG&E then sold the Richmond Pipeline to Shell Pipeline Company L.P. (Shell) following CPUC approval in 2005. The Regional Water Quality Control Board (Water Board) has alleged that petroleum hydrocarbon releases from the pipeline have caused soil and groundwater contamination in Richmond.

**Utility Operations at the Site:**

PG&E operated the pipeline to transport fuel oil; in 2005, PG&E sold the pipeline to Shell. The pipeline has been identified by the Water Board as potentially responsible for contributing petroleum hydrocarbons into the soil and groundwater in the area. Shell has advised PG&E that Shell has never operated the pipeline and asserts that any releases occurred during PG&E's ownership.

**Environmental Agency Actions:**

In October 2007, the Water Board contacted Shell, requiring the submittal of a work plan to investigate the potential of a product leak from their pipeline. The agency believes that hydrocarbon contamination found in soil and groundwater in the area is potentially due to leaks in the pipeline.

On February 7, 2008, Shell notified PG&E about the agency letters, and stated that Shell never used the pipeline, and therefore PG&E was responsible for any releases from the pipeline during PG&E's ownership.

**Nature of Costs:** The site cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. Cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

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

Alcantar & Kahl LLP	Division of Business Advisory Services	Occidental Energy Marketing, Inc.
Ameresco	Douglass & Liddell	OnGrid Solar
Anderson & Poole	Downey & Brand	Praxair
Arizona Public Service Company	Duke Energy	R. W. Beck & Associates
BART	Dutcher, John	RCS, Inc.
Barkovich & Yap, Inc.	Economic Sciences Corporation	Recurrent Energy
Bartle Wells Associates	Ellison Schneider & Harris LLP	SCD Energy Solutions
Bloomberg	Foster Farms	SCE
Bloomberg New Energy Finance	G. A. Krause & Assoc.	SMUD
Boston Properties	GLJ Publications	SPURR
	Goodin, MacBride, Squeri, Schlotz & Ritchie	San Francisco Public Utilities Commission
Braun Blaising McLaughlin, P.C.	Green Power Institute	Santa Fe Jets
Brookfield Renewable Power	Hanna & Morton	Seattle City Light
CA Bldg Industry Association	Hitachi	Sempra Utilities
CLECA Law Office	In House Energy	Sierra Pacific Power Company
CSC Energy Services	International Power Technology	Silicon Valley Power
California Cotton Ginners & Growers Assn	Intestate Gas Services, Inc.	Silo Energy LLC
California Energy Commission	Lawrence Berkeley National Lab	Southern California Edison Company
California League of Food Processors	Los Angeles Dept of Water & Power	Spark Energy, L.P.
California Public Utilities Commission	Luce, Forward, Hamilton & Scripps LLP	Sun Light & Power
Calpine	MAC Lighting Consulting	Sunshine Design
Casner, Steve	MBMC, Inc.	Sutherland, Asbill & Brennan
Chris, King	MRW & Associates	Tabors Caramanis & Associates
City of Palo Alto	Manatt Phelps Phillips	Tecogen, Inc.
City of Palo Alto Utilities	McKenzie & Associates	Tiger Natural Gas, Inc.
Clean Energy Fuels	Merced Irrigation District	TransCanada
Coast Economic Consulting	Modesto Irrigation District	Turlock Irrigation District
Commercial Energy	Morgan Stanley	United Cogen
Consumer Federation of California	Morrison & Foerster	Utility Cost Management
Crossborder Energy	NLine Energy, Inc.	Utility Specialists
Davis Wright Tremaine LLP	NRG West	Verizon
Day Carter Murphy	Navigant Consulting	Wellhead Electric Company
Defense Energy Support Center	Norris & Wong Associates	Western Manufactured Housing Communities Association (WMA)
		eMeter Corporation
Department of Water Resources	North America Power Partners	
Dept of General Services	North Coast SolarResources	