November 4, 2014

Advice Letter 3523-G/4512-E

Meredith Allen
Senior Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

SUBJECT: Add Ten New Sites to Hazardous Substance Mechanism

Dear Ms. Allen:

Advice Letter 3523-G/4512-E is effective as of November 6, 2014.

Sincerely,

Edward Randolph
Director, Energy Division
October 7, 2014

Advice 3523-G/4512-E
(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Add Ten New Sites to Hazardous Substance Mechanism

Purpose

Pacific Gas and Electric Company (PG&E) hereby requests California Public Utilities Commission (Commission or CPUC) approval to include ten 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.

PG&E has identified a groundwater plume comprised of petroleum products, gasoline, waste oil, and tetrachloroethylene (PCE) located beneath PG&E’s Santa Rosa Substation A. PG&E plans to investigate the extent of the impact to determine likely further actions, and remediate as necessary. A description of the site is set forth in Attachment I to this filing.

In addition, PG&E has identified nine facilities where historical operations included the use, storage, and/or repair of utility equipment that contained mercury and may have contained other hazardous substances. PG&E plans to conduct environmental assessments at these sites to identify and remediate hazardous substance releases which may have occurred in order to protect worker safety, public health, and the environment.

A description of all ten additional sites is set forth in Attachment I to this filing. The sites are as follows:

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corning Substation and Service Center</td>
<td>North and Hoag Streets, Corning, Tehama County</td>
</tr>
<tr>
<td>Vacaville Service Center</td>
<td>158 Peabody Road, Vacaville, Solano County</td>
</tr>
</tbody>
</table>
Diamond Regulator Station
Diamond Avenue, Red Bluff, Tehama County

Santa Rosa Substation A
501 Sonoma Avenue, Santa Rosa, Sonoma County

Willits Service Center
1601 Baechtel Road, Willits, Mendocino County

Burney Compressor Station
37667 Highway 299, Burney, Shasta County

Delevan Compressor Station
Dirks Road north of County Road D, Stonyford, Colusa County

Gerber Compressor Station
22169 Chard Road, Gerber, Tehama County

Hinkley Compressor Station
35863 Fairview Road, Hinkley, San Bernardino County

Salinas Service Center
401 Work Street, Salinas, Monterey County

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 Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than October 27, 2014, which is 20 days after the date of this filing. Protests must be submitted to:

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

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Meredith Allen
Senior Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

PG&E requests that this Tier 2 advice filing become effective on November 6, 2014, which is 30 days after the date of 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 and all electronic approvals should be directed to e-mail PGETariffs@pge.com. For changes to any other service list, please contact the Commission’s Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Advice letter filings can also be accessed electronically at http://www.pge.com/tariffs/.

/S/
Meredith Allen
Senior Director, Regulatory Relations

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

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

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Kingsley Cheng</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ELC</td>
<td>Phone #: (415) 973-5265</td>
</tr>
<tr>
<td>☑ GAS</td>
<td>E-mail: <a href="mailto:k2c0@pge.com">k2c0@pge.com</a> and <a href="mailto:PGETariffs@pge.com">PGETariffs@pge.com</a></td>
</tr>
<tr>
<td>☐ PLC</td>
<td></td>
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<tr>
<td>☐ HEAT</td>
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<tr>
<td>☐ WATER</td>
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</tbody>
</table>

**EXPLANATION OF UTILITY TYPE**

| ELC = Electric | GAS = Gas | PLC = Pipeline | HEAT = Heat | WATER = Water |

Advice Letter (AL) #: **3523-G/4512-E**

**Subject of AL:** **Add Ten New Sites to Hazardous Substance Mechanism**

**Keywords** (choose from CPUC listing): Compliance, Hazardous Waste

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: ____________________

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

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 6, 2014**

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: 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:

**California Public Utilities Commission**

**Energy Division**

**EDTariffUnit**

505 Van Ness Ave., 4th Flr.

San Francisco, CA 94102

E-mail: EDTariffUnit@cpuc.ca.gov

**Pacific Gas and Electric Company**

Attn: Meredith Allen

Senior Director, Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com
Site Name: Corning Substation and Service Center

Location: North and Hoag Streets, Corning, Tehama County

Source, Nature, and Approximate Date of Contamination: An environmental site assessment identified historical operations at PG&E’s Corning Substation and Service Center that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

Utility Operations at the Site: PG&E’s Corning Substation and Service Center comprises approximately 1.8 acres. It was constructed in 1921 to support gas and electric operations and maintenance serving Tehama County. Site facilities include four buildings and one trailer currently used for offices, shops, and warehousing. A portion of the facilities was historically used as a Gas Transmission and Regulation meter repair shop. Some of the equipment that was repaired contained mercury and PG&E is exploring the possibility of a historical release at this site.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is now seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Site Name: Vacaville Service Center

Location: 158 Peabody Road, Vacaville, Solano County

Source, Nature, and Approximate Date of Contamination: An environmental site assessment identified historical operations at PG&E’s Vacaville Service Center that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

Utility Operations at the Site: PG&E’s Vacaville Service Center comprises approximately 7.3 acres. It was constructed in 1954 to support gas and electric operations and maintenance serving Solano County. Site facilities include six buildings and two trailers currently used for offices, shops, and warehousing. A portion of the facilities was historically used as a Gas Transmission and Regulation meter repair shop. Some of the equipment that was repaired contained mercury and PG&E is exploring the possibility of a historical release at this site.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is now seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Site Name: Diamond Regulator Station

Location: Diamond Avenue, Red Bluff, Tehama County

Source, Nature, and Approximate Date of Contamination: An environmental site assessment identified historical operations at PG&E’s Diamond Regulator Station that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

Utility Operations at the Site: PG&E’s Diamond Regulator Station comprises approximately 0.04 acres. It was constructed to support gas operations serving Tehama County. Site facilities include a single building used to house valves and other equipment. A portion of the facility may have housed mercury containing devices. PG&E is exploring the possibility of a historical release at this site.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is now seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Site Name: Santa Rosa Substation A

Location: The substation is located at 501 Sonoma Avenue (APN 010-202-044) near the intersection of Sonoma and Santa Rosa Avenues, Santa Rosa, Sonoma County.

Source, Nature, and Approximate Date of Contamination: Santa Rosa Substation A is located near/adjacent to three properties that are known to be contaminated. A groundwater plume comprised of petroleum products, gasoline, waste oil, and tetrachloroethylene (PCE) is located beneath the Santa Rosa Substation A. PG&E believes that the plume originates from adjacent properties.

Utility Operations at the Site: PG&E’s Santa Rosa Substation A comprises approximately 1.3 acres. It was constructed to support electric operations serving Sonoma County. Site facilities include a single building built in 1973 used for control of electrical equipment.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is now seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Site Name: Willits Service Center

Location: 1601 Baechtel Road, Willits, Mendocino County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E’s Willits Service Center that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

Utility Operations at the Site: PG&E’s Willits Service Center was constructed in 1954 on a 5.9 acre site to support gas and electric operations in the surrounding area of Mendocino County. Site facilities include two buildings and a trailer currently used for offices, shops and warehouse. Mercury and mercury containing equipment may have been used at this facility and PG&E is exploring the possibility of a historical release at this site.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Site Name: Burney Compressor Station

Location: 37667 Highway 299, Burney, Shasta County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E’s Burney Compressor Station that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

Utility Operations at the Site: PG&E’s Burney Compressor Station was constructed in 1969 to support the operations of the gas transmission system and various associated facilities. Site facilities include five buildings, seven valve houses and two instrument buildings to support the compressor station. Some of the control instrumentation contained mercury and PG&E is exploring the possibility of a historical release at this site.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Site Name: Delevan Compressor Station

Location: Dirks Road north of County Road D, Stonyford, Colusa County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E’s Delevan Compressor Station that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

Utility Operations at the Site: PG&E’s Delevan Compressor Station was constructed in 1966 on a 29.8 acre site to support the operations of the gas transmission system and various associated facilities. Site facilities include two compressor buildings, six instrument buildings and five support buildings. Some of the control instrumentation contained mercury and PG&E is exploring the possibility of a historical release at this site.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Site Name: Gerber Compressor Station

Location: 22169 Chard Road, Gerber, Tehama County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E’s Gerber Compressor Station that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

Utility Operations at the Site: PG&E’s Gerber Compressor Station was constructed in 1970 on an 11.6 acre site to support the operations of the gas transmission system and various associated facilities. Site facilities include six buildings used to house a compressor, turbine, instrumentation and controls. Some of the control instrumentation contained mercury and PG&E is exploring the possibility of a historical release at this site.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
**Site Name:**  Hinkley Compressor Station

**Location:**  35863 Fairview Road, Hinkley, San Bernardino County

**Source, Nature, and Approximate Date of Contamination:**  An environmental assessment identified historical operations at PG&E’s Hinkley Compressor Station that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

**Utility Operations at the Site:**  PG&E’s Hinkley Compressor Station was constructed in 1953 on a 158 acre site to support the operations of the gas transmission system and various associated facilities. Site facilities include 18 buildings and two trailers to house the compressor, turbines, instrumentation and controls. Some of the control instrumentation contained mercury, and PG&E is exploring the possibility of a historical release at this site.

**Environmental Agency Actions:**  There has been no agency involvement to date.

**Nature of Costs:**  The costs for which PG&E is seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Site Name: Salinas Service Center

Location: 401 Work Street, Salinas, Monterey County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E’s Salinas Service Center that may have resulted in a release of mercury and/or other hazardous substances. The exact date of any potential mercury release at this facility is unknown. However, PG&E estimates any mercury contamination likely occurred prior to 1991 as PG&E completed the removal of mercury-filled meters and controls from most of its sites by 1991.

Utility Operations at the Site: PG&E’s Salinas Service Center consists of an 11.2 acre site and was constructed in 1963 to provide gas and electric operations and maintenance serving Monterey County. Site facilities include six buildings currently used for offices, shops, and warehousing. A portion of the facilities was historically used as a Gas Transmission and Regulation meter repair shop. Some of the equipment that was repaired contained mercury and PG&E is exploring the possibility of a historical release at this site.

Environmental Agency Actions: There has been no agency involvement to date.

Nature of Costs: The costs for which PG&E is seeking HSM 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 waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
AT&T
Alcantar & Kahl LLP
Anderson & Poole
BART
Barkovich & Yap, Inc.
Bartle Wells Associates
Braun Blasing McLaughlin, P.C.
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
California State Association of Counties
Calpine
Casner, Steve
Cenergy Power
Center for Biological Diversity
City of Palo Alto
City of San Jose
Clean Power
Coast Economic Consulting
Commercial Energy
Cool Earth Solar, Inc.
County of Tehama - Department of Public Works
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy
Defense Energy Support Center
Dept of General Services
Division of Ratepayer Advocates
Douglass & Liddell
Downey & Brand
Ellison Schneider & Harris LLP
G. A. Krause & Assoc.
GenOn Energy Inc.
GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
In House Energy
International Power Technology
Intestate Gas Services, Inc.
K&L Gates LLP
Kelly Group
Linde
Los Angeles County Integrated Waste Management Task Force
Los Angeles Dept of Water & Power
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McKenna Long & Aldridge LLP
McKenzie & Associates
Modesto Irrigation District
Morgan Stanley
NLine Energy, Inc.
NRG Solar
Nexant, Inc.
North America Power Partners
Occidental Energy Marketing, Inc.
OnGrid Solar
Pacific Gas and Electric Company
Praxair
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions
SCE
SDG&E and SoCalGas
SPURR
San Francisco Public Utilities Commission
Seattle City Light
Sempra Utilities
SoCalGas
Southern California Edison Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
Tiger Natural Gas, Inc.
TransCanada
Utility Cost Management
Utility Power Solutions
Utility Specialists
Verizon
Water and Energy Consulting
Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)