

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 25, 2014

Advice Letter 3449-G/4345-E

Brian Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

SUBJECT: ADD EIGHT NEW SITES TO HAZARDOUS SUBSTANCES MECHANISM

Dear Mr. Cherry:

Advice Letters 3449-G/4345-E is effective as of February 16, 2014.

Sincerely,

A handwritten signature in dark ink that reads 'Edward Randolph'.

Edward Randolph
Director, Energy Division



January 17, 2014

Advice 3449-G/4345-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Add Eight New Sites to Hazardous Substance Mechanism

Purpose

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

In May 2010, a pole-mounted transformer released transformer oil containing polychlorinated biphenyls (PCBs) onto Union St. in Stockton. As described further in Attachment I to this filing, PG&E removed impacted soil to clean up PCBs at the site from 2010-2013. However, PG&E intends to undertake further investigation and remediation as needed at the site.

In addition, PG&E has identified seven 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 what steps are needed to protect worker safety, public health, and the environment.

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

Site Name	Location
North Union St, Stockton	400 Block of North Union Street, Stockton, San Joaquin County

Concord Service Center	1030 Detroit Ave., Concord, Contra Costa County
Roseville Service Center	126 E Street, Roseville, Placer County
Cupertino Service Center	10900 North Blaney Avenue, Cupertino, Santa Clara County
Vallejo Service Center	303 Carlson Street, Vallejo, Solano County
San Pablo Station	2000 Rumrill Road, San Pablo, Contra Costa County
Herrmann Wye Station	Seahorse Drive, Vallejo, Solano County
Creed Station	Creed Road, Solano 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 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 February 6, 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:

Brian K. Cherry
Vice President, 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 **February 16, 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/>.

Brian Cherry /IG

Vice President – Regulatory Relations

cc: Robert Finkelstein - TURN (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: **Igor Grinberg**

Phone #: **(415) 973-8580**

E-mail: **ixg8@pge.com and PGETariffs@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) #: **3449-G/4345-E**

Tier: **2**

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

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

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: **February 16, 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:

Service affected and changes proposed:

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

ED Tariff Unit

505 Van Ness Ave., 4th Floor

San Francisco, CA 94102

E-mail: **EDTariffUnit@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: North Union St, Stockton

Location: 400 Block of North Union Street, Stockton, San Joaquin County

Source, Nature, and Approximate Date of Contamination: In May 2010, a pole-mounted transformer released transformer oil containing polychlorinated biphenyls (PCBs) onto Union St. in Stockton. Removal of impacted soil was performed several times from 2010 through 2013 to clean up the PCBs. However, PCBs have recently been discovered in soil as far as 50 feet away from the location of the transformer. PG&E is investigating the extent of the PCB contamination and exploring the possibility of other historical releases of PCBs at this site.

Utility Operations at the Site: Overhead electrical distribution lines, some with pole-mounted transformers, are present along Union Street.

Environmental Agency Actions: On May 3, 2010, San Joaquin County Environmental Health Department issued a "Notice to Abate Immediately" to PG&E. Oversight of the cleanup is by the Department of Toxic Substances Control under a Voluntary Cleanup Agreement entered into with PG&E on March 4, 2011.

Nature of Costs: The costs for which PG&E is seeking HSM recovery are future cleanup costs that 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 found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

Site Name: Concord Service Center

Location: 1030 Detroit Ave., Concord, Contra Costa County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E's Concord Service Center that may have resulted in a release of mercury and/or other constituents of potential concern. 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: The Concord Service Center was constructed in 1970. The site comprises approximately 20 acres, and is an office and maintenance facility to

provide utility operations in Contra Costa County. Site facilities include five buildings and one trailer. A portion of the facilities was used historically 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.

Site Name: Roseville Service Center

Location: 126 E Street, Roseville, Placer County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E's Roseville Service Center that may have resulted in a release of mercury and/or other constituents of potential concern. 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 Roseville Service Center comprises 2.2 acres. It was constructed in 1940 to support gas and electric operations and maintenance serving west Placer County. Site facilities include three buildings and one trailer currently used for offices, shops, and warehousing. A portion of the facilities was used historically 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: Cupertino Service Center

Location: 10900 North Blaney Avenue, Cupertino, Santa Clara County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E's Cupertino Service Center that may have resulted in a release of mercury and/or other constituents of potential concern. 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 Cupertino Service Center comprises 22 acres. It was constructed in 1955 to support gas and electric operations and maintenance serving Santa Clara County. Site facilities include five 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 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: Vallejo Service Center

Location: 303 Carlson Street, Vallejo, Solano County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E's Vallejo Service Center that may have resulted in a release of mercury and/or other constituents of potential concern. 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 Vallejo Service Center comprises 8 acres. It was constructed in 1961 to support gas and electric operations and maintenance serving Solano County. Site facilities include six buildings and five 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: San Pablo Station

Location: 2000 Rumrill Road, San Pablo, Contra Costa County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E's San Pablo Station that may have resulted in a release of mercury and/or other constituents of potential concern. 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 San Pablo Station was constructed in 1984 to support the operations of the gas transmission system and various associated facilities. Site facilities include an unmanned building used to house gas valve 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: Herrmann Wye Station

Location: Seahorse Drive, Vallejo, Solano County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E's Herrmann Wye Station that may have resulted in a release of mercury and/or other constituents of potential concern. 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 Herrmann Wye Station was constructed in 1966 to support the operations of the gas transmission system and various associated facilities. Site facilities include an unmanned building used to house gas valve 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: Creed Station

Location: Creed Road, Solano County

Source, Nature, and Approximate Date of Contamination: An environmental assessment identified historical operations at PG&E's Creed Station that may have resulted in a release of mercury and/or other constituents of potential concern. 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 Creed Station was constructed in 1965 to support the operations of the gas transmission system and various associated facilities. Site facilities include an unmanned building used to house gas valve 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.

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

1st Light Energy	Douglass & Liddell	OnGrid Solar
AT&T	Downey & Brand	Pacific Gas and Electric Company
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Praxair
Anderson & Poole	G. A. Krause & Assoc.	Regulatory & Cogeneration Service, Inc.
BART	GenOn Energy Inc.	SCD Energy Solutions
Barkovich & Yap, Inc.	GenOn Energy, Inc.	SCE
Bartle Wells Associates	Goodin, MacBride, Squeri, Schlotz & Ritchie	SDG&E and SoCalGas
Braun Blasing McLaughlin, P.C.	Green Power Institute	SPURR
California Cotton Ginners & Growers Assn	Hanna & Morton	San Francisco Public Utilities Commission
California Energy Commission	In House Energy	Seattle City Light
California Public Utilities Commission	International Power Technology	Sempra Utilities
California State Association of Counties	Intestate Gas Services, Inc.	SoCalGas
Calpine	K&L Gates LLP	Southern California Edison Company
Casner, Steve	Kelly Group	Spark Energy
Cenergy Power	Linde	Sun Light & Power
Center for Biological Diversity	Los Angeles Dept of Water & Power	Sunshine Design
City of Palo Alto	MRW & Associates	Tecogen, Inc.
City of San Jose	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
Clean Power	Marin Energy Authority	TransCanada
Coast Economic Consulting	McKenna Long & Aldridge LLP	Utility Cost Management
Commercial Energy	McKenzie & Associates	Utility Power Solutions
County of Tehama - Department of Public Works	Modesto Irrigation District	Utility Specialists
Crossborder Energy	Morgan Stanley	Verizon
Davis Wright Tremaine LLP	NLine Energy, Inc.	Water and Energy Consulting
Day Carter Murphy	NRG Solar	Wellhead Electric Company
Defense Energy Support Center	Nexant, Inc.	Western Manufactured Housing Communities Association (WMA)
Dept of General Services	North America Power Partners	
Division of Ratepayer Advocates	Occidental Energy Marketing, Inc.	