

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



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,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division



Meredith Allen
Senior Director
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

Fax : 415-973-6520

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:

Site Name	Location
Corning Substation and Service Center	North and Hoag Streets, Corning, Tehama County
Vacaville Service Center	158 Peabody Road, Vacaville, Solano County

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.

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: Kingsley Cheng

Phone #: (415) 973-5265

E-mail: k2c0@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE

(Date Filed/ Received Stamp by CPUC)

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

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

Tier: 2

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.

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

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