



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

March 18, 2025

Mr. Terence Eng
Gas Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Docket No. PHMSA-2025-0007

Dear Mr. Eng:

On January 17, 2025, pursuant to 49 United States Code (U.S.C.) 60118(d), the Pipeline and Hazardous Materials Safety Administration (PHMSA) received a notification from California Public Utilities Commission (CPUC), granting a waiver of 49 Code of Federal Regulations (CFR) 192.611(a) and (d) and 192.619(a) to Pacific Gas and Electric Company (PG&E). This waiver allows PG&E to use integrity management practices in lieu of either replacing the pipeline segment, reducing operating pressure, or conducting a pressure test due to a class location increase from Class 1 to Class 3. The pipeline is an intrastate natural gas transmission pipeline segment totaling 419 feet (0.079 miles) in San Bernardino County. The State waiver includes conditions that PG&E must meet on an ongoing basis in order for the waiver to continue to be valid.

The CPUC issued the State waiver to PG&E in accordance with General Order (GO) No. 112-F, “State of California Rules Governing Design, Construction, Testing, Operation, and Maintenance of Gas Gathering, Transmission, and Distribution Piping Systems.”¹ GO 112-F supplements the Federal pipeline safety regulations, specifically 49 CFR Parts 191, 192, 193, and 199. Section 101.3 of GO 112-F allows for a utility, in special circumstances, to apply for an application to waive compliance with specific rules in accordance with section 3(e) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 60118(c)).

PG&E originally submitted its request as a Special Permit to PHMSA. PHMSA determined that this is an intrastate pipeline request and should be managed as State waiver and not a PHMSA Special Permit. PG&E submitted to CPUC its request for waiver in accordance with PHMSA’s “Criteria for Considering Class Location Waiver Requests.” PG&E’s request included the following information addressing the PHMSA criteria:

¹ <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M555/K023/555023737.pdf>

- Instead of replacing the segment of pipe, reducing the pressure, or performing a commensurate pressure test as required by 49 CFR 192.611, PG&E would implement enhanced integrity management procedures and use enhanced integrity management tools, such as in-line inspection to mitigate risks.
- The segment is 419 feet within an inspection area 43.630 miles long. To replace this segment, PG&E would have to blowdown the pipeline section between nearest mainline valves, releasing the natural gas in that pipeline segment to the atmosphere. These blowdown emissions are a lost resource that would result in a pass-through financial cost to PG&E's customers. Further, PG&E would disturb property, including vegetation and soils, during excavation to replace and test the pipeline segment.
- Data confirming that the pipe design and construction met acceptable PHMSA criteria.
- The segment has no history of pressure test failures and was last tested on March 9, 2012.
- The segment has a 40-inch depth of cover and there are no identified unstable soil conditions.
- There is no history of leaks, failures, or systemic problems with the segment and the maximum preceding 5-year high operating pressure is 830 pounds per square inch gauge.
- The pipeline segment is included in PG&E's Transmission Integrity Management Program. The last integrity inspection, using in-line inspection, was conducted in 2021.

Pursuant to 49 U.S.C. § 60118(d), PHMSA does not object to issuance of this waiver by the CPUC for the PG&E Class 1 to Class 3 as submitted. PHMSA requests that a copy of CPUC's final waiver to PG&E be forwarded to PHMSA within 30 days of the issuance.

If you wish to discuss this or any other pipeline safety matter, my staff would be pleased to assist you. Please contact Max Kieba, Director of Engineering and Research Division, at 202-493-0595 for technical matters.

Sincerely,

Linda Daugherty,
Acting Associate Administrator for Pipeline Safety