

State Capitol, Room 313
Sacramento, CA 95814
Phone: 916-651-4016
Fax: 916-327-5989

**Office of Senate Majority
Leader Dean Florez**

RECEIVED
Peter A. Darbee

SEP 24 2010

Fax

To:	<i>Peter Darbee</i>	From:	<i>Senator Florez</i>
Fax:	<i>415-267-7252</i>	Date:	<i>9-24-10</i>
Phone:		Pages:	<i>4</i>
Re:		CC:	

- Urgent
 For Review
 Please Comment
 Please Reply
 Please Recycle

•Comments: [\(Click here and type any comments\)](#)

State Capitol, Room 311
Sacramento, CA 95814-9900
TEL (916) 637-4010
FAX (916) 327-5989

District Offices
1800 30th Street, #350
Bakersfield, CA 93301
TEL (661) 305-2000
FAX (661) 395-2642

2550 Mariposa Mall, #2016
Fresno, CA 93721
TEL (559) 464-1070
FAX (559) 447-6500

SENATOR FLOREZ@SEN.CA.GOV

WWW.SEN.CA.GOV/FLOREZ

California State Senate

SENATOR DEAN FLOREZ

MAJORITY LEADER

REPRESENTING KERN, KINGS, FRESNO, AND TULARE COUNTIES



COMMITTEES

CHAIR
Food & Agriculture

SELECT COMMITTEES
Air Quality

Disaster Preparedness &
Emergency Response
Gender Discrimination &
Title IX Implementation

MEMBER

Banking, Finance &
Insurance

Budget & Fiscal Review
Business, Professions &
Economic Development

Governmental Organization

Judiciary

Revenue & Taxation

JOINT COMMITTEE

Water Allocation and
Classification

September 24, 2010

Mr. Peter A. Darbee
Chairman of the Board, Chief Executive Officer and President
PG&E Corporation
One Market, Speak Tower, Suite 2400
San Francisco, CA 94105-1126
Fax: 415-267-7252

RE: Request for Information and Documents Relating to Natural Gas Transmission and Distribution

As you well know, my office has spent considerable time and effort over the past year looking into the practices of Pacific Gas & Electric. Whether the issue was rate hikes or the launching of SmartMeters, my staff and I have encountered your company's less-than-candid approach with government investigators and journalists.

This habit of concealment, I believe, is deeply ingrained in your company's culture. More than two weeks after the tragedy of the San Bruno gas line explosion, we are left with an inescapable question: Did PG&E's neglect and deferred maintenance, a pattern of nonfeasance, cause the tragedy?

Creating a \$100 million fund for the victims of the blast is all well and good, but PG&E cannot buy its way out of the truth--answers that it owes to the larger public. Indeed, the safety of tens of thousands of Californians, whose homes and business may share the same ground with other decrepit and dangerous gas lines, depends on these answers.

In the interest of public disclosure, my office is requesting access to certain documents and PG&E personnel. I am requesting that your company make these documents and the names of personnel available to my office within seven working days. I have asked the California Public Utilities Commission, which has ordered PG&E to fully cooperate with state and federal investigators, to ensure that your company sticks to this deadline.

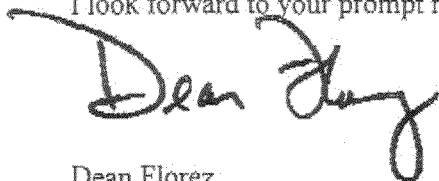
What follows is a list of documents and other material I am seeking from PG&E. The documents either originated with PG&E, the CPUC or federal or state agencies. In any event, PG&E possesses copies of these documents:



1. A breakdown of all PG&E gas transmission/distribution lines or segments of these lines statewide. The breakdown should include the location of these lines, the age of the lines, when the lines were last inspected, by what method they were inspected and the "risk-based" assessment for each line.
2. A year by year breakdown of the top 100 "highest risk" lines, dating back to the year 2000. This breakdown should include the location of these "high risk" lines, the age of the lines, when the lines were last inspected, by what method they were inspected, the "risk-based" assessment for each line. Likewise, this breakdown should indicate what lines have yet to be fully inspected and what lines the CPUC has authorized PG&E to fix (the date of these authorizations) and whether PG&E has undertaken and/or completed the repairs to date.
3. Documents, dating back five years, from every check, inspection and/or audit of Line 132. These documents should include the two most recent inspections and/or audits of Line 132 conducted by PG&E and/or the CPUC. A breakdown of these checks, inspections and audits should also include the method of "integrity assessment" employed. Was it smart-pigging (In-Line Inspection)? Was it pressure-testing? Or was it a direct assessment?
4. An explanation of which "method of integrity" assessments is most exacting. For example, is the In-Line Inspection the most precise and exacting way to assess the integrity of a pipeline and the danger it may pose? If not, which method is the most exacting? An explanation of why PG&E has failed to employ pressure testing on 1,107 miles of gas lines. (See Table 5-4, PG&E Integrity Assessment Plan).
5. A breakdown of the \$100 million that PG&E says, in numerous news reports, it has spent to improve its gas conveyance system. This breakdown should include how much money was spent on each gas line, what work was precisely done (repair, new pipe installation) on each line and what upgrade to the line was accomplished by this work.
6. Internal reports, memos or "risk assessment" documents that reflect the first time PG&E identified Line 132 as "high risk." This document should reveal the date of when PG&E first acknowledged internally that Line 132 posed a "high risk" of failure.
7. Internal reports, memos or other documents showing PG&E's response to failures cited by the National Transportation Safety Board in the 2008 gas leak in Rancho Cordova. The final NTSB report listing PG&E's shortcomings in the 2008 blast and any documents indicating that PG&E tried to address or fix these shortcomings.
8. Internal reports, memos or other documents that show PG&E addressing problems related to each of the 17 gas pipeline accidents deemed "significant" by federal regulators since 2004.

9. Records or other documents from 2010 related to PG&E repair crews or other personnel being sent to neighborhoods in San Bruno traversed by Line 132. These documents or records should explain the date of the call, nature of the call or complaint, what personnel (names) responded to the call, any repair work completed or recommended, the disposition of the call.
10. Documents detailing the errors that PG&E committed in recent gas line inspections—errors that required the utility to redo leak inspections for nearly all four million of its residential natural gas customers.
11. All requests, dating back 15 years, that PG&E has made to the CPUC for rate hikes to improve or replace gas transmission/distribution lines. This list should include the identity of each pipeline and its location. If the rate hike was approved, did PG&E begin or finish the upgrades? If the upgrade or repair was never undertaken, what did PG&E do with that money?
12. A list of all enforcement actions, including penalties, citations, cease and desist notices and related notices, that the CPUC has issued against PG&E in the past 15 years.
13. Any and all documents that assess, list or rank gas transmission/distribution lines that need to be repaired, improved or replaced. Any priority lists for pipeline that are old and potentially damaged and need to be repaired or replaced.
14. All PUC audit reports of pipeline safety inspections performed by PG&E under the federal Integrity Management Program. All reports of re-inspections of the audited inspections. All related citations and notices issued in relation to inspection audits.
15. Any safety inspection reports related to Line 6, 10 and 34 traversing the Bakersfield area. Any documents related to the sections of these lines and whether they have been replaced, repaired or upgraded from 1989 to present.
16. An explanation of the recommended easement for natural gas lines and how these easements are being enforced.

I look forward to your prompt reply.



Dean Florez
Senate Majority Leader, 16th Senate District

CC: Mr. Chris Johns, President Pacific Gas and Electric Company
Mr. Kent Kauss, Manager State Government Relations
General Public