Draft Talking Points for Rep. Speier Meeting 2/25
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- We are moving on multiple fronts to ensure the safety of our gas transmission and distribution systems

- As part of that, we are undertaking an extensive records review and search

- As we have discussed in previous meetings that we have had with you and some of the Mayors, part of that review included identifying segments of pipe that had some high-level characteristics similar to the segment of L-132 that ruptured

- Taking a conservative approach, we have cast a broad net in our search for segments of pipe that have these similar characteristics until the NTSB identifies the root cause of the accident.

- Some of these characteristics include pipe diameter, location, age, and weld type among others

- The maps provide information on gas transmission lines (as defined by 49 CFR 192.3) with segments that share the following characteristics with the segment of L-132 that ruptured:
  - They are in Class 3 & 4, or Class 1 & 2 High Consequence Areas
  - They are 30" diameter
  - They have Double Submerged Arc Welds or its manufacturing equivalent,
  - They were installed prior to January 1st, 1962, and
  - They have not undergone hydrostatic pressure testing or the equivalent)
  - These pipeline segments are located on L-132, L-131, and L-153
  - Of 1021 total HCA gas transmission miles, only 7 miles meet the above criteria

- As a safety precaution, the pressure on these pipelines was therefore reduced by 20% from their Maximum Allowable Operating Pressure (MAOP)
  - For example:
    - Pressure was reduced to 300 psig from 375 PSIG on L-

132

- Pressure was reduced on Line 153 between Irvington and Marina Station to 336 psig, which is 20% below the MAOP of 420 psig.
- Pressure was reduced on Line 131 between Milpitas and Irvington to 467 psig, which is 20% below the MAOP of 595.
- PG&E also reduced pressure on certain short cross-ties just outside of Milpitas terminal.

- In addition, Lines 105A, 105A-1, 105N have segments that generally meet the criteria as defined above. While Lines 105A, 105A-1 and 105N are not currently operated as transmission lines, PG&E has been and will continue to operate these lines at 20% below their MAOP.

- Operating these lines at pressures below their MAOP provides for additional margins of safety for these lines and the surrounding communities
  - In addition, MAOP is set with a wide safety margin.
    - DOT regulations provide two basic methods to determine the Maximum Allowable Operating Pressure (MAOP) of a pipeline: (1) The pressure obtained by dividing the post construction pipeline test pressure by a factor based on the type of development surrounding the pipe (e.g., agricultural, rural, suburban and urban), or (2) the highest actual operating pressure to which the segment was subjected during the five year period from 1965 to 1970. Since 1961, PG&E pipelines have been pressure tested after construction and we have been able to use the pressure test information to determine MAOP. For pipelines installed prior to 1962, we have used the actual historical pressure data from operation of the pipe itself.
  - **That said, we understand that how MAOP is established is a national issue that may result in future changes to those rules, and we look forward to working with you in that effort.**

- In addition to operating these lines at reduced pressure, these lines were surveyed for leaks as part of the accelerated leak survey we conducted and completed in 2010. There were no leaks found on the Peninsula.

- **Moving forward, we will be using ground patrols for class 1 & 2 locations, *which goes beyond industry standards (does it?)***

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- With regards to these segments, we are now in the process of analyzing and evaluating maintenance and operations records and activities as well as validating all records associated with these segments to verify all known characteristics.

- **We recognize that ensuring the completeness and accuracy of PG&E's records is absolutely fundamental to restoring public confidence in the safety and integrity of our natural gas transmission system.**

- **We are also in the process of using all verified records identified in the collection, scanning and indexing process to create a segment-by- segment pipeline features list.**

- **Going forward as part of our MAOP validation, PG&E will perform excavations to verify pipeline features**

- We will be providing a report of that activity to the PUC on March 15th.

- The pipeline features list will allow us to prioritize work on these segments and lines, as well as others, as part of our maintenance and modernization efforts

    - This work can include in line inspections, pipeline replacement, camera technology, and pressure testing
    - Pressure testing does create some hazards to the pipeline, and the best way to check welds is through ILI or using a camera

- **PG&E is dedicated to taking all steps to ensure the safety and integrity of our gas pipeline systems.**

- We will continue to keep you apprised of our efforts as we move forward