From: Cherry, Brian K

Sent: 8/17/2011 3:45:55 PM

To: 'Clanon, Paul' (paul.clanon@cpuc.ca.gov)

Cc:

Bcc:

Subject: Re: CPUC Pipeline Oversight Cmte hearing

You got a good review today.....

----Original Message-----From: Kauss, Kent

Sent: Wednesday, August 17, 2011 3:35 PM

To: Bedwell, Ed; Pruett, Greg S.; Hayes, William; Johnson, Kirk; Ittner, Mary Ellen; Loduca, Janet C.; Bottorff, Thomas E; Stavropoulos, Nickolas; Cherry, Brian K; Cherry, Brian K; Yura, Jane; Garber, Stephen (Law); Kline, Steven L.; Lavinson, Melissa A Redacted Foley, Beth; Berkovitz, Trista (GE&O); Redacted Kivota, Travis; Redacted Livingston, Randy; Dickson, Joel; Horner, Trina; Redacted Ramaiya, Shilpa R; Dowdell, Jennifer; Redacted

Subject: CPUC Pipeline Oversight Cmte hearing

The Assm Cmte on Accountability and Administrative Review has concluded their hearing consistent with the description below. There were some challenging questions directed at the CPUC but as is usually the case, Paul Clanon did a very good job is his testimony. He acknowledged that the CPUC needed to change the way they oversee pipeline regulations in the state and that they already have made that move mentioning the Rancho Cordova penalty proceeding and the various efforts since the SB accident to change things including records, hydrotest, pigging, etc and also mentioned the pending Implementation Plans to be filed by the utilities.

PG&E obviously came up a few times but there were not any strong hits levied against us. Clanon even mentioned the amount of work we have done on our own and under orders including pressure reductions and the hydrotests done thus far. He also told the cmte that reductions in pressure come with consequences of less supply and the need to ensure that we do not hit low pressure levels that create problems on the Dist side. He noted that the utilities monitor those issues 24/7.

A couple questions did come up from members of the cmte on issues such as interactions with first responders, customer proximity to transmission lines, worker qualifications and the one-call program. We have mtg requests in with a couple members to more directly answer their questions. The only issue that any member mentioned as worthy of legislative intervention dealt with the revolving door issue of CPUC staff going to work for a regulated utility. One member, who has a history of criticizing the CPUC as a result of interactions on an SCE transmission line in Chino Hills, expressed interest in a bill that would prohibit employees from moving to a utility which has obvious legal problems. There are already in place rules governing cooling off periods before a utility employee can then advocate before the CPUC.