

From: Dowdell, Jennifer  
Sent: 10/18/2011 4:23:33 PM  
To: 'jmh@cpuc.ca.gov' (jmh@cpuc.ca.gov); 'mlc@cpuc.ca.gov' (mlc@cpuc.ca.gov); 'sks@cpuc.ca.gov' (sks@cpuc.ca.gov)  
Cc: Horner, Trina (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=TNHC); Ramaiya, Shilpa R (/o=PG&E/ou=Corporate/cn=Recipients/cn=SRRd)  
Bcc:  
Subject: FW: DJ - PG&E Hires Former NTSB Official to Advise on Safety Improvements  
FYI.

Jennifer

**From:** News Flash  
**Sent:** Tuesday, October 18, 2011 03:54 PM  
**Subject:** DJ - PG&E Hires Former NTSB Official to Advise on Safety Improvements

PG&E has hired Jim Hall, former head of the NTSB during the Clinton administration, to oversee the utility's efforts to improve the safety of its natural gas operations. Nick Stavropoulos, PG&E's Executive Vice President, Gas Operations, was quoted from a statement.

---

## **PG&E Hires Former NTSB Official to Advise on Safety Improvements**

By Cassandra Sweet  
Dow Jones Newswires, October 18, 2011

PG&E Corp. (PCG) said Tuesday that it has hired a former chairman of the National Transportation Safety Board to oversee the utility's efforts to improve the safety of its natural gas operations, following a fatal pipeline explosion last year.

**Jim Hall**, who headed the NTSB for seven years during the Clinton administration, now runs a firm called Hall & Associates that PG&E has engaged to ensure the utility's plans to beef up safety are in line with safety recommendations from the NTSB, an independent panel of experts and other organizations, PG&E said.

"It's vital that we assure the public--and ourselves--that PG&E is taking the necessary steps to improve safety and address the issues identified by the Independent Review Panel, the NTSB and others," **Nick Stavropoulos, the utility's executive vice president of gas operations**, said in a statement.

On Sept. 9, 2010, PG&E's San Bruno natural gas pipeline exploded, igniting a fireball that killed eight people, injured 58, destroyed 38 homes and damaged 70 others.

After a year-long investigation, the NTSB concluded last August that welding defects that weakened the pipeline over time caused the pipeline rupture, after the utility lost control of pressure on the pipeline while crews were doing unrelated electrical work. The board also blamed widespread flaws in PG&E's pipeline operations and poor government oversight.

Along with its findings, the board issued 29 safety recommendations to PG&E, as well as federal and state pipeline regulators. They included requiring automatic or remotely controlled shut-off valves on large pipelines and testing aging pipelines that were installed before stringent federal and state safety regulations were established, starting in the early 1970s.

Earlier in August, PG&E said it planned to spend \$2.2 billion through 2014 on pipeline safety activities, including testing its natural gas pipelines and installing automated pipeline shut-off valves.

In June, an independent panel of experts concluded that PG&E had a "dysfunctional culture" that gave little heed to public safety or the high level of technical expertise needed to safely operate a gas pipeline system.

Also in June, the California Public Utilities Commission ordered PG&E and the state's other natural gas utilities to organize plans to test or replace their gas transmission pipelines that haven't been tested with high-pressure water techniques.

The CPUC also has been considering new pipeline-safety rules for PG&E and other pipeline operators in the state, and has been pursuing a separate probe to determine whether poor record-keeping by PG&E violated any rules or laws that might warrant penalties.