

From: Cherry, Brian K
Sent: 10/20/2011 8:19:21 PM
To: 'pac@cpuc.ca.gov' (pac@cpuc.ca.gov)
Cc:
Bcc:
Subject: FW: Fwd: Legal Division Motion

Perhaps this sheds some light

From: Malkin, Joseph M. [mailto:jmalkin@orrick.com]
Sent: Thursday, October 20, 2011 06:26 PM
To: Hartman, Sanford (Law); Cherry, Brian K; Horner, Trina; Ramaiya, Shilpa R; Dowdell, Jennifer; Garber, Stephen (Law)
Subject: Fwd: Legal Division Motion

Begin forwarded message:

From: "Gruen, Darryl" <darryl.gruen@cpuc.ca.gov>
Date: October 20, 2011 6:12:05 PM PDT
To: "Malkin, Joseph M." <jmalkin@orrick.com>
Cc: "PGE Jordan. Lise" <lhj2@pge.com>, Redacted
Redacted, "Cagen, Robert" <robert.cagen@cpuc.ca.gov>, "Johnson, Catherine A." <catherine.johnson@cpuc.ca.gov>
Subject: RE: Legal Division Motion

Hi Joe:

Legal Division is prepared to disclose the documents you request immediately after PG&E files its response to Data Request 16, which is due tomorrow as shown in the first attachment. A copy of Data Request 16 is also attached for your convenience. Legal Division will disclose these documents on the condition that all of PG&E's responses directly answer the questions in the data request without any objections or requests for an extension of time. After Legal Division shares the documents, we will be happy to meet and confer to discuss matters further, if you feel that is still necessary. Let us know as soon as possible if PG&E agrees to these terms.

Darryl Gruen
Staff Counsel
California Public Utilities Commission

505 Van Ness Ave. - San Francisco, CA 94102
(415) 703-1973 - djg@cpuc.ca.gov

From: Cagen, Robert
Sent: Wednesday, October 19, 2011 8:26 PM
To: 'Malkin, Joseph M.'
Cc: Gruen, Darryl; PGE Jordan, Lise, [Redacted]
Subject: RE: Legal Division Motion

No Joe that is not accurate. We have an immediate safety issue that PG&E is going to need to address by looking through its data thoroughly to ascertain what pipes have been re-used in its system and what pipes are in its system with poor welds in them. If PG&E is again, as was true in San Bruno, unable to track and account for re-used or pipe with bad or marginal welds, and where the pipe is, then the Commission will need to decide how to ensure safety.

Bob.

From: Malkin, Joseph M. [<mailto:jmalkin@orrick.com>]
Sent: Wednesday, October 19, 2011 8:11 PM
To: Cagen, Robert
Cc: Gruen, Darryl; PGE Jordan, Lise, [Redacted]
Subject: Re: Legal Division Motion

Bob,

I take it then that you do not have any specific, immediate safety issue. Is that accurate?

Joe

On Oct 19, 2011, at 7:55 PM, "Cagen, Robert" <robert.cagen@cpuc.ca.gov> wrote:

Joe - the "junked" and "salvaged" terms are not how I characterize re-conditioned pipes - they are the exact terms used in PG&E's ECTS system and documents, often for pipe being re-used. Since achieving safety is PG&E's responsibility and goal., I know that PG&E will want to thoroughly go through the ECTS data base and any other data base necessary to ascertain exactly when and where pipes were re-used.

I don't know whether the 1948 documents are the same ones the NTSB commented on. That is irrelevant to alerting parties and the public that a safety issue exists that we believe should not wait until February to raise as a matter that needs consideratino.

Bob

From: Malkin, Joseph M. [mailto:jmalkin@orrick.com]
Sent: Wednesday, October 19, 2011 7:19 PM
To: Cagen, Robert
Cc: Gruen, Darryl; PGE Jordan, Lise; [Redacted]
Subject: Re: Legal Division Motion

Bob,

Generically, neither of those is a new issue, and PG&E is addressing each of them through its MAOP validation, hydro testing, Pipeline Safety Enhancement Plan and other safety enhancements. As you undoubtedly know, the use of reconditioned pipe -- not "salvaged or junked" pipe, as you characterize it -- was a common practice in the industry at least through the 1950s. The 1948 Line 132 documents that you refer to appear to be the very ones the NTSB already commented on.

Your motion, however, suggests that these are new and urgent safety issues -- so urgent that you could not even discuss the issue with us before filing the motion; so urgent that you had to file a motion to alert the "media, such as newspapers and television." If there is something you believe is urgent and not already being addressed, I repeat our request that you identify the issue with sufficient specificity that PG&E can deal with it.

Whether you identify specific documents or not, PG&E will continue its thorough safety review. As you know, the documents you have in mind all came from the ECTS data base PG&E is using for its MAOP validation. We will also continue to respond fully to your data requests.

Joe

On Oct 19, 2011, at 6:29 PM, "Cagen, Robert"
<robert.cagen@cpuc.ca.gov> wrote:

Joe - the safety issues involved are pipes in the ground with weld defects in them, and the re-use of transmission pipe that may still be in the ground. You don't have to look at the documents to know those are both legitimate and important safety issues.

We certainly will be glad to point out specific documents to you, so that PG&E can address the safety issue,. We don't intend to do so until PG&E has provided adequate discovery to LD and CPSD about these matters. As you may know CPSD and LD have recently asked data requests about re-use of pipes and disposition of junked or salvaged pipes. Frankly, if

we identify all the documents we possess on these subjects, we will not have provided PG&E with a strong incentive to conduct a thorough investigation and disclosure of the extent of the possible problem..
Bob

From: Malkin, Joseph M. [mailto:jmalkin@orrick.com]
Sent: Wednesday, October 19, 2011 5:53 PM
To: Cagen, Robert; Gruen, Darryl
Cc: PGE Jordan, Lise; [Redacted]
Subject: Legal Division Motion

Bob & Daryl,

We just left voice messages for each of you. If Legal Division has identified documents that you believe raise safety issue, as your motion states, we request that you provide us copies of those documents or direct us to them ASAP so that PG&E can address the safety issue.

Joe

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Bob,

Below is the outcome of our discussion on Wednesday regarding the pending Data Requests. Please let us know if you agree with our characterization, and whether you approve of our requests.

- **DR #8, Q7** (Provide a copy of the SharePoint System records for September 9, 2010 through September 10, 2010): We indicated that we need more time to evaluate how long it would take to respond to this request. We will get back to you when we have more information.
- **DR #8, Q15** (Provide access by PUC consultants to the PG&E online Engineering Library.): We discussed this access yesterday with our IT folks, and we expect this access will be available by **October 22**. We will let you know if we encounter any problems from our testing of the site. We don't expect any.
- **DR #9**: We requested an extension to respond to this data request until **10/31**, and you agreed to that.
- **DR #10**: Given that the questions in DR #10 are similar in content to DR #16, we requested an extension to the same due date as what you had proposed for DR #16, which is **Friday, Oct. 21**. You agreed to that extension for **DR #10, Questions 1, 4, and 5**. You requested that we respond to **DR #10, Questions 2**

and 3 by **Tuesday, Oct. 18**. We agreed to that.

- **DR #11, #12, #13**: We expect to provide responses to the data requests as originally requested.
- Given that **DR #14, #15, and #16** are due within a few days of each other (10/20, 10/19, and 10/21, respectively), we requested that they all be submitted next **Friday, 10/21**, except for the requests discussed below. You agreed that that was reasonable.

We have reviewed these requests, and to date, have identified the following Questions as in need of additional time. If we identify difficulties with others, we will bring them to your attention as soon as possible.

- **DR #14, Q5** (List the pipeline seam defects, by pipeline number and segment number, identified by PG&E as a result of using hydrostatic pressure testing. Provide the records used to identify the pipe segment for testing and the records that document the test results and subsequent repairs): Given constraints on our business organization and in order to be comprehensive on our preparation of our response, we request a due date of **11/4**.
- **DR #15, Questions 1 and 2** have a broad scope and require extensive searches and pulling of data. For these we request a due date of **11/4**.
- **DR #15, Q5** (For each pipeline segment in its system since 1956 and until September 9, 2010, and for each year from 1956 to September 9, 2010, provide the highest pressure during that year reached on each such pipeline segment.): We do not have the information requested prior to 1998. We are in the process of determining how long it will take to gather the remaining responsive information, and will get back to you next week when we have more information.
- **DR #15, Q7** (Beside the ruptured pipe, has PG&E ever located as-built drawings for each and all pipes, valves, and other pipeline assets that make up line 132? If no, provide the location and length of each pipe that PG&E has not located as-built drawings for.) Due to the complexity of this question, we request a due date of **11/4**.
- **DR #15, Q8** (Provide a table that identifies the portions or segments of each transmission pipeline currently operating in PG&E's system for which it has not located as-built drawings for each and every pipe or transmission line component in the transmission pipeline. In the table provide a pipeline by pipeline summary of the search PG&E made for the as-built documents.) Due to the breadth of this request, we request a due date of **11/4**.
- **DR #15, Q11** (Does PG&E keep records showing both major and minor injuries sustained by workers around gas transmission lines or stations? If yes, provide a table showing the following: A. The location or locations of where the records are kept, and a description of how they are organized; B. The year in which PG&E started keeping such records; C. PG&E's retention policy and practice for such records; D. For each year for which PG&E has kept full records, show the number of both major and minor injuries of workers who were working around transmission lines.): Due to the breadth of this request, we request a due date of **11/4**.

Please let us know if these extensions are acceptable. Also, we requested that you consider prioritizing your request, in light of the volume of requests that are pending. If you let us know of any particular request, other than the ones we already discussed, that you would like a response to earlier than what is proposed, we will evaluate our ability to meet your needs and get back to you promptly.

Thanks,

Lise H. Jordan | Attorney | Pacific Gas and Electric Company
415.973.6965 office

From: Cagen, Robert [mailto:robert.cagen@cpuc.ca.gov]
Sent: Monday, October 10, 2011 5:40 PM
To: Jordan, Lise (Law)
Cc: [Redacted] Johnson, Catherine A.; Gruen, Darryl; margaret@mfelts.com
Subject: RE: Discussion on Monday re: DRs

Lise we can't schedule a call for tomorrow since I may not be in - won't know until tomorrow morning early. I can call you if I do come in, or we can set it for Wednesday afternoon - I have a meeting that will require the morning.

Thursday so far we expect to have Margaret, Darryl, and myself there at San Ramon. I will check on Robert Kinosian and Catherine Johnson and let you know. I will also let you know if a CPSD representative elects to attend.

How about 11 Thursday at San Ramon unless we get back to you with another time?

Bob

From: Jordan, Lise (Law) [mailto:LHJ2@pge.com]
Sent: Monday, October 10, 2011 4:57 PM
To: Cagen, Robert
Cc: [Redacted] Johnson, Catherine A.; Gruen, Darryl; margaret@mfelts.com
Subject: RE: Discussion on Monday re: DRs

Thanks, Bob. Here are our responses:

DR #8, Q. 7, we will get back to you with a suggested extension. We need to do a bit more analysis.

DR #10 is related to DR #16, which is due on Oct. 21. We propose to discuss with you the recent data request sets 14, 15, and 16 in our call tomorrow.

We just sent you the responses to the rest of DR #8, with the exception of DR #8, Q.13. We needed one extra day to accommodate a key individual's travel schedule. We expect to send you DR #8, Q.13 tomorrow.

Let's try to follow up tomorrow to discuss DRs 14, 15, and 16. Will 9:00 work for you? I can send out a conference number if this time works for you.

Also, please let me know the timing of the site visit in San Ramon on Thursday. We are prepared to address Margaret's ECTS issues in the morning, and visit the ATS facility in the afternoon. It would be helpful to have the names of the individuals attending so we can make arrangements with the meeting locations.

Thanks,

Lise H. Jordan | Attorney | Pacific Gas and Electric Company
415.973.6965 office

From: Cagen, Robert [mailto:robert.cagen@cpuc.ca.gov]
Sent: Monday, October 10, 2011 4:40 PM
To: Jordan, Lise (Law)
Cc: [Redacted] Johnson, Catherine A.; Gruen, Darryl; margaret@mfelts.com
Subject: RE: Discussion on Monday re: DRs

Yes, an extension of of time on the basis you ask for is acceptable on these two requests. We can talk Thursday about the timing of the online engineering access library. Data request 8, q. 7 - how much additional time does PG&E request?

Bob

From: Jordan, Lise (Law) [mailto:LHJ2@pge.com]
Sent: Saturday, October 08, 2011 4:02 PM
To: Cagen, Robert
Cc: [Redacted] Johnson, Catherine A.; Gruen, Darryl; margaret@mfelts.com
Subject: RE: Discussion on Monday re: DRs

Thanks, Bob. Happy Columbus Day! How about 9:00 on Tuesday? If that works, I will send around a conference call number.

There are 2 data request responses due on Monday that we had wanted to discuss with you. The Data Request #8, Q. 7, asks: **Provide a copy of the Sharepoint System records for September 9, 2010 through September 10, 2010.**

We had discussed this previously to get clarification. However, in researching our SharePoint system, it turns out that responding to this request will take more time than anticipated. We can give you more details when we talk.

Also Data Request #8, Q. 15, asks: **Provide access by PUC consultants to the PG&E online Engineering Library.** We plan on discussing this with Margaret on Thursday with our IT people present. It will take some time to provide this access, and we wanted to discuss this with Margaret to ensure we understand her request.

Hopefully you are o.k. with us providing responses after Monday on these two requests.

With respect to the San Ramon visit, yes, we are planning to have the San Ramon visit at the ATS facility on Thursday afternoon, and we also are planning to meet with Margaret that morning in San Ramon to resolve her ECTS problems. Please let me

know when you all plan to arrive, and how long approximately the visit will take.

Thanks,

Lise H. Jordan | Attorney | Pacific Gas and Electric Company
415.973.6965 office

From: Cagen, Robert [mailto:robert.cagen@cpuc.ca.gov]
Sent: Saturday, October 08, 2011 3:50 PM
To: Jordan, Lise (Law)
Cc: Redacted Johnson, Catherine A.; Gruen, Darryl; margaret@mfelts.com;
Cagen, Robert
Subject: RE: Discussion on Monday re: DRs

Hi Lise - I won't be at work Monday - its Columbus Day! We can try for Tuesday to talk if that works for you .

Also have you settled on a day next week that workd for San Ramon? Is it Thursday?

Thanks,
Bob

From: Jordan, Lise (Law) [mailto:LHJ2@pge.com]
Sent: Friday, October 07, 2011 10:45 PM
To: Cagen, Robert
Cc: Redacted
Subject: Discussion on Monday re: DRs

Bob,

We were hoping to set up a time with you on Monday to discuss pending data requests. Would you let us know if Monday works for you? Anytime before 3:00 would be great.

Thanks,

Lise H. Jordan | Attorney | Pacific Gas and Electric Company
415.973.6965 office

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