From:Clanon, PaulSent:10/4/2011 10:46:42 AMTo:Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)Cc:Bcc:Subject:Sac Bee Editorial

Sacramento Bee Oct. 1, 2011

Editorial: Roseville should seek answers from PG&E

http://www.sacbee.com/2011/10/01/3951742/roseville-should-seek-answers.html

September was a particularly bad month for Pacific Gas and Electric Co. and full of worries for its customers.

A fire that ignited when natural gas leaked from a ruptured PG&E pipeline in Roseville burned for seven hours Tuesday before utility crews were able to shut off the flow of gas.

It was the second gas leak along that same pipeline in a little more than a year. The first occurred just 150 feet from Tuesday's rupture.

The plastic pipe involved in both Roseville leaks is the same type, Aldyl-A, that failed in Cupertino earlier this month and caused an explosion that destroyed a condominium there.

Aldyl-A plastic pipe was also the type that failed in Rancho Cordova in 2006. State and federal investigators concluded substandard materials PG&E crews used to repair that initial leak led to an explosion in 2008 that killed one person and injured two others.

Just this week, an administrative law judge rejected as too low the \$26 million fine state regulators levied against the utility for the Rancho Cordova explosion. The judge upped the fine to \$38 million instead.

And federal regulators issued their final report, lambasting PG&E for a "litany of failures" that led to the pipeline explosion in San Bruno last year that killed eight people and destroyed 38 homes. The National Transportation Safety Board, which spent a year investigating the incident, documented egregious and systemic failures in PG&E's safety programs.

Among other things, the NTSB recommended that federal and state regulators repeal rules that exempt pipelines installed before 1970 from testing that pushes water under high pressure through pipelines to detect leaks. The report also recommends that PG&E install automatic shutoff valves on pipelines that run through urban areas.

To their credit, PG&E officials say they are not waiting for new regulations. They have hired

Nick Stavropoulos, a new vice president for gas operations who specializes in aging infrastructure. Stavropoulos says the utility is installing automatic shutoff valves in high-population and earthquake-prone areas as quickly as possible. It is also stepping up pressure testing across the entire gas transmission system.

The utility has also begun an intensive evaluation of problematic plastic piping. PG&E has 7,900 miles of Aldyl-A piping in its service area. Some 1,200 miles of it manufactured before 1973 is considered the most vulnerable to leaks.

Utility officials say they will replace 400 feet of Aldyl-A pipe in the Roseville area that experienced the recent leaks. Fire officials in Roseville want to know where all problematic pipes are located in their city. Other cities ought to be asking the same questions.

PG&E's safety problems are serious. They will take time and be costly to fix, but they cannot be ignored.

From: Cooke, Michelle
Sent: Fri 9/30/2011 3:03 PM
To: Prosper, Terrie D.
Cc: Clanon, Paul; Randolph, Edward F.
Subject: RE: Sac Bee Editorial Writer - Questions

#1- respond using the press release

#2- no. The pipe in Rancho Cordova was plastic pipe, but PG&E installed packing pipe instead of pipe for gas service. From the POD: The cause of the gas explosion and fire was the gas leak on the main PE gas pipe located in the front yard of 10708 Paiute Way, Rancho Cordova. The gas leak was caused when a segment of yellow 1¼ IPS [iron pipe size] PE pipe separated from a 1¼ IPS coupling. The 1¼-inch pipeline and coupling were installed on September 21, 2006 to repair a gas leak.

(this is not Aldyl A I don't think). In Cupertino, it was a 2" main (Alydyl-A). In Roseville (both times), it was a 4" main (Aldyl-A).

#3- I sent you the inspection report from the prior leak.

From: Prosper, Terrie D.Sent: Friday, September 30, 2011 12:47 PMTo: Cooke, MichelleCc: Clanon, Paul; Randolph, Edward F.

Subject: Sac Bee Editorial Writer - Questions **Importance:** High

Hi Michelle,

Ginger Rutland of the Sacramento Bee editorial board is writing an editorial for this weekend about our oversight of gas safety, focusing on the recent Roseville gas fire, the 2010 Roseville gas fire, and the Rancho Cordova gas explosion. Her questions:

1) She wants an explanation of why there is a \$12 million gap between what the CPUC staff agreed to in a proposed settlement of Rancho Cordova (\$26 million) and what ALJ Wong issued in yesterday's release setting a minimum of \$38 million. I will respond to that using the press release we sent out yesterday.

2) Was the Rancho Cordova pipe that exploded the same kind of plastic material that exploded in Cupertino and that was involved in the Roseville gas fire of Tuesday? I think the answer is yes, correct?

3) What happened in or to our investigation of last year's Roseville gas leak fire that occurred in Sept 2010?

I don't know the answer to this one.

Thanks!

Terrie

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