

From: Malkin, Joseph M.
Sent: 10/19/2011 8:11:04 PM
To: Cagen, Robert (robert.cagen@cpuc.ca.gov)
Cc: Jordan, Lise (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=LHJ2); [Redacted]
[Redacted] Gruen, Darryl (darryl.gruen@cpuc.ca.gov)
Bcc:
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 consideration.

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 or 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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