

Informational Town Hall

with
Senator Joe Simitian
Senator Elaine Alquist
Assemblymember Paul Fong
Assemblymember Richard Gordon
Assemblymember Jerry Hill

Pipeline Safety in Northern California One Year after San Bruno

December 7, 2011
6:00 p.m. – 9:00 p.m.

Address

Introduction:

Opening Remarks - 3 minutes per member (6:00 – 6:15 pm)

- I. California's Natural Gas Infrastructure and State Oversight** 6:15 pm – 7:00 pm
Overview of the changes that have taken place at the CPUC since the explosion at San Bruno.
- A. California Public Utilities Commission, Mr. Paul Clanon, Executive Director**
 - B. California Public Utilities Commission, Ms. Michelle Cook, Interim Director, Consumer Protection and Safety Division**

Questions for Panel 1:

1. How has the experience with the explosion in San Bruno changed the way the CPUC approaches safety?
2. What are the enforcement mechanisms that the CPUC uses to ensure safety within utility operations? How are they different today versus a year ago?
3. Earlier this year the CPUC was going to fine PG&E for failing to produce records, where are we in the process?
4. One of the criticisms raised by the Independent Review Panel was that the CPSD staff had a limited role within the CPUC. Is this changing?
5. How, with a relatively small inspection staff compared with the thousands of miles of pipe, does the CPSD ensure safe operation?

6. PG&E is asking the CPUC to allow them to raise the pressure on Line 101, 147, and 132A, lines that on the Peninsula. What process will the PUC follow? Will the PUC allow PG&E to raise the pressure on these lines?
7. Until recently the Commission has mainly focused on transmission lines. In light of recent events, such as the explosion in Cupertino, how does the PUC intend to monitor the network of smaller distribution lines, which carry gas into homes and businesses?
8. What do you recommend on actions the state or regulators should implement going forward?

II. Pacific, Gas and Electric Company Improving Safety (7:15 pm – 8:00 pm)

Review and updates of safety protocols and what changes has the company made to improve safety.

Pacific Gas and Electric Company, Nick Stavropoulos, Executive Vice President, Gas Operations (not yet confirmed)

Questions for Panel 2:

1. Absent records verifying safe pressure, how is PG&E able to validate operating pressures? Can you describe the process? How do you know when you need to do a hydrostatic test?
2. What are the risks of conducting a pressure test?
3. There have been recent news articles that have highlighted pipes which have failed during hydrostatic pressure tests – one in Bakersfield and one near Woodside – what does PG&E make of this?
4. Can you please give us an update of the hydrostatic testing that needs to be completed?
5. PG&E reduced the operating pressure on certain lines. Can you explain why you did this? What will happen to lines that have not had their pressure validated through hydrostatic testing? Will PG&E need to increase the pressure during winter months?
6. An explosion in Cupertino brought to light that PG&E has pre-1973 Aldyl-A pipe throughout its system. This material has been identified to be prone to cracks that can lead to leaks and explosions. What is PG&E doing to remedy this issue? Is pre-1973 Aldyl-A pipe the only type of material that PG&E considers a potential risk?
7. On October 19th CPUC lawyers raised the issue that PG&E had used salvaged pipe along its transmission system. How does PG&E determine whether these pipes are safe?
8. The Independent Review panel criticized PG&E for a disconnect between top executives and the staff on the ground. What has PG&E done to address this?
9. What is PG&E doing to instill its safety mantra at all levels of the organization? Are there performance incentives?
10. What are PG&E's safety goals? How will you and your customers know whether it has reached them?

Public Comment (until closing)