From: Prosper, Terrie D.

Sent: 12/8/2011 3:27:00 PM

To: Prosper, Terrie D. (terrie.prosper@cpuc.ca.gov)

Cc:

Bcc:

Subject: CPUC Seeks Consultant to Audit Natural Gas Safety and Reliability Program:

CPUC Information Alert

CPUC Information Alert: CPUC Seeks Consultant to Audit Natural Gas Safety and Reliability Program

The California Public Utilities Commission has issued a Request for Proposal seeking a management consultant to provide an internal audit of its Gas Safety and Reliability Branch program.

The CPUC is at a turning point in its regulation of natural gas safety and is seeking professional expertise to inform and guide program changes as it looks toward the future. The proposed internal audit stems from recommendations from an Independent Review Panel, which was tasked with investigating the September 9, 2010, explosion of a Pacific Gas and Electric Company natural gas pipeline in San Bruno.

The audit will examine the overall structure, function, and effectiveness of the CPUC's natural gas safety program as a whole. The final report by the consultant will make recommendations focused on actions that the CPUC can make internally to improve the effectiveness of the Gas Safety and Reliability Branch program, and ultimately improve public safety.

The maximum cost of the contract is \$300,000. The term of the contract is for 2 years, with the option for an extension at the sole discretion of the CPUC. However, within 9 months of the contract signing the management consultant will submit a report that makes recommendations focused on actions that the CPUC can make internally to improve the effectiveness of the Gas Safety and Reliability Branch program.

The Gas Safety and Reliability Branch administers its natural gas safety program primarily by auditing the facilities of investor-owned natural gas utilities, mobile home parks, and propane systems in California for compliance with applicable codes. In addition, staff conduct accident investigations, investigate safety related conditions and complaints, inspect new construction, and ensure that safety regulations reflect state-of-the-art changes in materials, equipment, and technology.

This past year the Gas Safety and Reliability Branch was reorganized and gas safety functions were separated from electric safety functions. In addition, a new Risk Assessment unit was formed to improve the CPUC's ability to predict and prevent high-profile accidents. Staff in the Risk Assessment unit focus primarily on the development and implementation of a system of gas pipeline risk identification, risk analysis, and risk management.

The RFP and other documents related to pipeline safety can be found on the CPUC's website at www.cpuc.ca.gov/PUC/events/sanbruno.htm.

Please let me know if you have any questions.

Terrie

Terrie Prosper Director, News & Public Information Office California Public Utilities Commission Press Line: (415) 703-1366

tdp@cpuc.ca.gov

Visit the CPUC on: Twitter | Facebook