California Legislative Forum on Pipeline Safety in Northern California One Year After The San Bruno Gas Pipeline Explosion

with

Assmemblymember Jerry Hill Assemblymember Richard Gordon Assemblymember Paul Fong (not yet confirmed) Senator Elaine Alquist (not yet confirmed)

> January 26, 2012 6:00 p.m. – 8:00 p.m.

Palo Alto City Hall 250 Hamilton Avenue Palo Alto, CA 94301

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 Cooke, 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. 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?
- 4. How, with a relatively small inspection staff compared with the thousands of miles of pipe, does the CPSD ensure safe operation?
- 5. Until recently the Commission has mainly focused on transmission lines. In light of accidents in Roseville and in Cupertino, how does the CPUC intend to ensure the safety of the network of smaller distribution lines, which carry gas into homes and businesses?
- 6. The CPUC has gotten a lot of criticism for approving ratepayer money that utilities use for the maintaining and upgrading their systems, without tracking if the money was appropriately used. What is the CPUC doing to change this? What kind of accountability can ratepayers expect?

II. **Pacific, Gas and Electric Company – Changes Made Since San Bruno** (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, Roland Trevino, Vice President, Public Safety and Integrity Management

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. Pipes have failed during hydrostatic pressure tests one near 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? How much more testing needs to be completed? What are the locations where testing still needs to occur? When will testing resume?
- 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 been pressure tested? 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. 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?
- 8. Earlier this month the CPSD released a scathing report that which once again highlight that PG&E's corporate culture had emphasized profits over safety. What is PG&E doing to change this? How does the company plan to instill a culture of safety at all levels of the organization?
- 9. What are PG&E's safety goals? How will you and your customers know whether it has reached them?

Public Comment (until closing)