

From: Prosper, Terrie D.
Sent: 5/25/2012 2:46:59 PM
To: Prosper, Terrie D. (terrie.prosper@cpuc.ca.gov)
Cc:
Bcc:
Subject: CPUC Issues Staff Report in PG&E Pipeline Classification Case: CPUC Information Alert

CPUC Information Alert: CPUC Issues Staff Report in PG&E Pipeline Classification Case

The California Public Utilities Commission's (CPUC) Consumer Protection and Safety Division (CPSD) today issued its Investigative Report into the Operations and Practices of Pacific Gas and Electric Company's (PG&E) Natural Gas Transmission Pipeline System in Locations with Higher Population Density.

The report was filed in the CPUC's penalty case (I.11-11-009) concerning PG&E's alleged violations of federal regulations regarding pipeline classification, opened in November 2011. PG&E operates approximately 6,438 miles of high-pressure natural gas transmission pipeline, which includes approximately 1,060 miles of pipelines in more densely populated areas.

CPSD alleges PG&E failed to monitor areas of increased population density. In the report, CPSD alleges PG&E failed to identify 898 pipeline segments with class location changes on its gas transmission system. CPSD's report outlines PG&E's resulting alleged violations.

Some of these violations resulted in the operation of pipeline segments above the federally established Maximum Allowable Operating Pressure—a particularly serious violation due to the dangers of pipeline rupture to those living and working in the immediate vicinity of the pipeline segment.

CPSD's report outlines that PG&E also assumed yield strength values above maximum values permitted under federal regulations, and that PG&E either did not

patrol, or lacks patrolling records for, more than 150 miles of pipe segments. Finally, the report says that PG&E failed to retain essential records on which to base its monitoring of changes in class in more populated areas of the state.

Thus, PG&E's failure to monitor 898 segments results in other failures to comply with related regulations for a total of 3,062 violations, the report concludes. The 3,062 violations resulted in approximately 16 million daily violations.

Intervenor testimony in response to CPSD's report is due on June 25, 2012, and PG&E's response is due July 23, 2012.

The report is available at www.cpuc.ca.gov/PUC/PenaltyConsidRePipelineClass.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](#)