



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

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JUN 18 2012
1200 New York Ave. S.E.
Washington, D.C. 20590

Commissioner PEEVEY'S OFFICE

JUN 13 2012

Mr. Michael R. Peevey
President
California Public Utilities Commission
California State Building
505 Van Ness Avenue
San Francisco, CA 94102

Dear President Peevey:

I am writing to ask for your assistance in addressing a safety issue and a Congressional mandate. The U.S. Congress, through § 7 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, instructed the Pipeline and Hazardous Materials Safety Administration (PHMSA) to conduct a survey on national progress in replacing cast iron pipelines across the country. Almost all cast iron pipeline systems are subject to State pipeline safety oversight. This means you, your fellow Commissioners, Governors, and other State officials have an ability, and responsibility, to assure these pipeline systems do not pose a risk to the citizens of your State.

Cast iron is one of a few high risk pipeline materials, typically installed over 60 years ago, which is still in use supplying natural gas to homes and businesses in many of our towns and cities. While many of these pipelines are able to operate safely, the material properties of cast iron can make them degrade over time or become vulnerable to environmental changes and external stresses like frost heave or land movement. Leaking cast iron pipelines have resulted in tragic incidents involving loss of life and reinforced the need to address this high risk pipeline infrastructure.

In March 2011, U.S. Department of Transportation Secretary Ray LaHood issued a call to action for all responsible parties, including State utility commissions or other State government pipeline safety partners, to accelerate repair, rehabilitation, and replacement programs for high risk pipeline systems whose integrity cannot be positively confirmed. At that time, PHMSA asked the States by letter to provide information about programs and plans they have adopted to address leak prone, or other high risk pipelines.

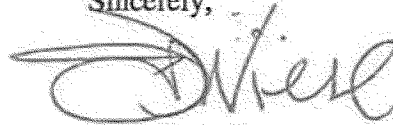
Many States responded to Secretary LaHood's and PHMSA's request for information on how they were addressing these concerns - but some have not. (Enclosed is a list of the States that have provided us an update). I know you share our commitment to communicating to the public the actions their Government is taking to ensure the safety of our Nation's energy pipeline system. To that end, and before the end of summer, I wanted you to know that PHMSA will be rolling out a web-based solution highlighting the inventory of cast iron remaining in the Nation - State by State, as well as any pipeline remediation action plans provided to us by those States. We are hoping to be able to showcase your State's active management of these types of pipeline risk by including your related programs and plans.

I welcome updates on plans you may have previously submitted to us addressing leak prone or high risk pipelines, but ask that they specifically call out actions on cast iron so we can address the challenge put to us by the U.S. Congress. Also, if your State has not yet submitted this information, I welcome it now and encourage you to take advantage of this opportunity.

The PHMSA Administrator, Cynthia Quarterman, will soon be sending a similar letter to your respective Governors requesting an update of the status of the Nation's pipeline infrastructure and the actions States are taking to assure a safe and reliable energy network. It's my hope to have our website up to date with the most current information before the Administrator's letter goes out. We will be maintaining your responses on our pipeline safety awareness website at: <http://opsweb.phmsa.dot.gov/pipelineforum/library/index.html>. Please email your responses to PHMSA-state-updates@dot.gov. If you prefer, you can mail a hardcopy to: David Appelbaum, PHMSA Office of Pipeline Safety, East Building, Room E22-321, 1200 New Jersey Avenue, SE, Washington, DC 20590.

I look forward to our continued partnership on this critical safety issue. If my staff or I can be of any assistance to you, please contact me at 202-366-4595.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Wiese". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Jeffrey D. Wiese
Associate Administrator for Pipeline Safety