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Subject:

Proposed PG&E Fine Would Only Set Back Safety

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Like so many Californians, employees of **PG&E** will never forget the tragedy that occurred in San Bruno on Sept. 9, 2010. All of us who work at PG&E remain horrified by the accident and the magnitude of the human suffering it caused.

PG&E's construction and maintenance workers are out in the field 24/7, 365 days a year, operating and maintaining one of the largest gas pipeline and electrical distribution systems in the world.

We go to work every single day with safety first and foremost in our minds. We don't have to be told that safety is our priority — not by executives in corporate headquarters or Sacramento politicians. Our families and co-workers remind us every day that our work is dangerous, and that they want us to return home safely. Our customers call us all hours of the day, in any weather condition to repair lines to keep us safe, the gas flowing and the lights on.

Let's be clear; the tragic San Bruno accident in September 2010 occurred on a PG&E pipeline. PG&E has taken responsibility. The recently revised penalty against PG&E proposed by the Public Utilities Commission staff will actually reduce safety, while punishing ratepayers and placing at risk thousands of jobs of people working to keep customers safe.

Evidently determined to force PG&E into bankruptcy, the PUC staff wants to impose a record-breaking penalty, regardless of the wide-reaching impacts that a penalty of this magnitude will have.

It would cost the utility more than \$4 billion and set back badly needed job-creating investments. It would also cost workers at hundreds of the utility's suppliers and subcontractors. It would delay, or even derail entirely, steps to modernize our energy system.

When the PUC staff increased the original penalty recommendation dramatically, the nation's top credit rating agencies took notice. Both Standard & Poor's and Moody's issued threats to downgrade PG&E's credit rating. If either agency were to cut PG&E's credit rating, it would immediately become more expensive for the utility to raise money to fund improvements.

Like other utilities, PG&E depends on institutional lenders and investors to finance billions of dollars every year. So even a slight increase in interest rates will increase costs by millions of dollars. And who will be forced to pick up the tab? Ratepayers.

The initial proposal would have directed all of the money from the penalty back into safety improvements.

This new proposal would hand it over to the state's general fund, and would force PG&E to stop funding these critically needed safety improvements.

The best way to pay respect to the victims of San Bruno is to require PG&E to put every dollar back into improving the safety of the electric grid and gas-delivery system.

Diverting money from safety investment would punish ratepayers, compromise public safety and place at risk the jobs of thousands of hard working men and women.

Mike Scafani is a 36-year employee of PG&E's Gas Maintenance and Construction Department. He lives in Rohnert Park.