From: Doll, Laura

Sent: 10/4/2013 6:29:05 PM

To: elizaveta.malashenko@cpuc.ca.gov (elizaveta.malashenko@cpuc.ca.gov); Terrie D.'

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Cc:

Bcc:

Subject: FW: City of San Carlos - City Manager Declares State of Emergency; Emergency

Council Meeting Called - Safety Concerns PG&E Natural Gas Transmission Line

http://www.cityofsancarlos.org/civica/press/display.asp?layout=1&Entry=683

10/4/2013 FOR IMMEDIATE RELEASE

PRESS RELEASE #10042013

Subject: City Manager Declares State of Emergency

- Emergency Council Meeting Called - Safety Concerns PG&E Natural Gas

Transmission Line

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SAN CARLOS, CA, October 4, 2013 – At 3:45 PM on October 4th, 2013 the San Carlos City Manager declared a State of Emergency and called for an emergency meeting of the San Carlos City Council after PG&E refused the City's request to voluntarily shut down their natural gas transmission line 147. San Carlos Council members will have the opportunity to consider adopting a Resolution requiring PG&E to shut down line 147, and confirm the City Manager's declaration of an emergency, and the decision to immediately pursue a court ordered shutdown of line 147.

Mayor Bob Grassilli expressed his frustration with PG&E's refusal to immediately suspend operation of line 147. "PG&E's own information on Line 147 is contradictory, and confusing regarding the safety of line 147. We believe PG&E has a responsibility to our community to put safety ahead of operational challenges, and should immediately suspend the use of line 147, until such time they can explain to the

California Public Utilities Commission and the public the inconsistencies in their own documentation, records and internal communications regarding line 147."

At approximately 11:45 am on Friday, October 4th, the City of San Carlos made a request to PG&E for the utility to voluntarily shut down natural gas transmission line 147, until such time as a hearing could be conducted with the CPUC to resolve issues identified by PG&E in a series of internal emails (attached) in 2012, and for PG&E to demonstrate to the public that Line 147 is safe to operate.

At 10:15 am on Thursday, October 3, 2013, representatives of PG&E provided City officials with a series of e-mails dated November 15-17, 2012, which included alarming information about the condition of gas transmission line 147, in the aftermath of a leak repair. Line 147 runs the length of the City of San Carlos under Brittan Avenue, which is a residential street in San Carlos, and carries thousands of residents daily to their homes and schools.

The series of internal PG&E e-mails discloses that the pipeline contains certain sections made up of a "thin wall" pipe made of materials manufactured in 1929, that the surface of the pipe has external corrosion with fatigue cracks, and questioned whether, "we are sitting on a San Bruno situation." The wall thickness of the pipe was redacted from the e-mail, so it is impossible to tell its specifications. The area of corrosion was said to be where previous welding had occurred.

The e-mails also confirm that the line 147 pipe specification is inconsistent with the current records data in the PG&E system.

The City of San Carlos had been verbally assured by a high ranking PG&E Official, as recently as September 16, 2013, that Line 147 is safe. The November 2012 e-mails casts serious doubt on this assertion and raises the shocking likelihood that line 147 is as dangerous as the Line 132, which disastrously failed in San Bruno on September 9, 2010. Moreover, this woefully late disclosure of information about the condition of this pipeline is outrageous, and based on the PG&E e-mails places the residents of San Carlos in potential danger, without any reasonable justification .

City Manager Jeff Maltbie stated, "we have been working with the assistance of Senator Jerry Hill, Assembly Member Kevin Mullin and US Representative Jackie Speier in communicating with PG&E representatives throughout the day, in an attempt to convince PG&E to shutdown line 147 until we and the public can be assured that it is operating safely. PG&E's refusal to suspend operation of line 147 is an outrage."

Congresswoman Jackie Speier stated, "Yesterday, the City of San Carlos was informed of a November 2012 email by a PG&E engineer expressing concern that line 147 could be "a San Bruno situation." I support the city's demand that Line 147 be turned off. There are four reasons to do so. First, the utility's engineer expressed concern that there may be older pipe in line 147 that was induced to crack as a result of the hydrostatic test conducted on the line in 2011. This alone should necessitate that the line be turned off. Second, line 147 leaked in one location and it is still not completely understood why it leaked, although a patch at that location may be the reason. Third, the nature of the pipe's construction at yet another point – and perhaps as many as three points- is not yet fully understood by PG&E. Finally, the utility withheld from city staff until yesterday, after it appeared that the email had leaked to the press, the November 2012 email expressing concerns about the integrity of the pipeline. These are four good reasons for the city to demand that the pipeline be turned off until we know that it is safe to operate or that repairs, if needed, have been made. I call upon the CPUC to investigate the history of this pipeline's testing and operation in order to determine the proper course of action on this line. For now, however, the proper course of action is to shut off the gas."

Senator Jerry Hill expressed, "The latest disclosures raise serious questions about the type of testing that was conducted and whether a large enough section of the pipeline was replaced. Because PG&E bears the burden of proof, the utility should err on the side of safety and take whatever steps are necessary to assure residents of San Carlos that the pipe is secure."

Assemblymember Kevin Mullin commented, "It is outrageous that PG&E has had information for 11 months of a possible compromise in one of its pipelines and the company to date has failed to remedy the situation. Given the San Bruno tragedy, PG&E should err on the side of caution and shut down line 147 immediately, until it can assure the public that the line is 100 percent safe. "

Deputy Fire Chief Stan Maupin advises residents in San Carlos that there is no immediate action required on the part of the public at this time, and if natural gas smell is detected, to call PG&E's emergency service center at 1-800-743-5000. In the event of an emergency, call 911 immediately.