

From: Fitch, Julie A.
Sent: 12/19/2013 1:41:48 PM
To: Doll, Laura (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=LRDD)
Cc:
Bcc:
Subject: RE: Re: Peterman remarks at Commission meeting today

Here you go (I included both Item 22 and 35a remarks, pasted into this email):

Remarks of Commissioner Carla J. Peterman

Dec. 19, 2013, Voting Meeting

Item 22 – Decision on PG&E Line 147 Maximum Operating Pressure

- A few comments on this item. First, I believe that repressurizing Line 147 is safe, based on the evidence presented in this case, including a review of the arguments presented by the San Carlos pipeline expert in their comments. This is also based on the judgment of Commission engineering staff. Safety considerations exist both with repressurizing the line and with not doing so, so we have to weigh the alternatives carefully.
- In general, I am uncomfortable with the Commission being in the position of needing to vote to authorize specific pipeline pressures at all.
- There are complex engineering and public safety considerations that go into the operation of pipelines, and the regulatory process is not a good fit for this task. It is too slow and too lacking in timely and detailed operational and engineering information.
- I believe we need to think carefully about how we can return the responsibility for these sorts of operational decisions to the pipeline operator, in this case PG&E, and restore public confidence in their work. Of course it is our job to hold them accountable for operating their pipelines safely, but I do not think we should be, in general, substituting our judgment for theirs on operational matters, especially when the pipeline operators have the ability to react faster

with more up to date and real-time information.

- After saying that, I realize that we are in this position on this pipeline today, for the moment, and have to make the best decision we can.

- I also realize that reasonable minds can disagree on some engineering judgments and requirements. I see that the City of San Carlos is very engaged on this matter and concerned about the safety of their community. I urge PG&E and the Commission’s engineers to work in good faith with the City of San Carlos officials to ensure that they understand the operational decisions PG&E is making and feel confident that PG&E is operating the pipeline that runs through their City in a safe and reliable manner.

- If in the course of those discussions, San Carlos is still concerned with the pressure level authorized today, this proceeding remains open and San Carlos may come to us with a petition to modify this or previous decisions, based on additional information and analysis, and I believe we will consider it with open minds.

- Thus, I will vote for this decision today to authorize the pressure to be returned to a higher level. However, as I said, new information becomes available all the time about pipeline conditions, safety regulations, etc. As another item on our agenda today highlights, PG&E is obligated to come to us as soon as possible with changed information about any pipeline condition that is the subject of a Commission order. In addition, we expect them to alert other parties as well.

Items 35/35a – PG&E Rule 1.1 Violation Sanctions

- I will be supporting Commissioner Ferron’s alternate on this matter. I think the logic it utilizes in coming to the level of the fine is reasonable in this instance.

- I also think it’s important that PG&E get the message that, as an organization, they owe us correct, timely, and straightforward information on issues where the Commission has rendered detailed decisions in the past or expects to do so in the future. Simply put: some combination of attorneys, management, and regulatory affairs people at PG&E should have known better than to handle things the way they did in this case.

-----Original Message-----

From: Doll, Laura [mailto:LRDD@pge.com]
Sent: Thursday, December 19, 2013 12:36 PM
To: Fitch, Julie A.
Subject: Re:

Thanks! Would save us some time.

----- Original Message -----

From: Fitch, Julie A. [mailto:julie.fitch@cpuc.ca.gov]
Sent: Thursday, December 19, 2013 12:31 PM
To: Doll, Laura
Subject: Re:

Not on me, but I could send when I get back upstairs, assuming she is ok with sending. I don't see why not.

Julie

Sent from my iPhone

> On Dec 19, 2013, at 12:26 PM, "Doll, Laura" <LRDD@pge.com> wrote:

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> Do you have a copy of Carla's remarks we could have?

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> Without a transcript its hard to capture.

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> To learn more, please visit <http://www.pge.com/about/company/privacy/customer/>

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