

From: Doll, Laura  
Sent: 12/2/2013 9:43:37 AM  
To: Prosper, Terrie D. (terrie.prosper@cpuc.ca.gov)  
Cc:  
Bcc:  
Subject: RE: Fwd:Media Advisory: PG&E to Give Special Presentation TODAY in Defense of Faulty San Carlos Pipeline

Didn't.

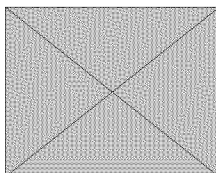
Thanks!

**From:** Prosper, Terrie D. [mailto:terrie.prosper@cpuc.ca.gov]  
**Sent:** Monday, December 02, 2013 9:42 AM  
**To:** Doll, Laura  
**Subject:** FW: Fwd:Media Advisory: PG&E to Give Special Presentation TODAY in Defense of Faulty San Carlos Pipeline

In case you didn't see this...

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

From: [singermedia@singersf.com](mailto:singermedia@singersf.com)  
To: [singermedia@singersf.com](mailto:singermedia@singersf.com)  
At: Dec 2 2013 09:11:38



Contact: Connie Jackson

San Bruno City Hall: (650) 616-7056

Sam Singer or Alex Doniach

Cell: (415) 806-8566

## **\*\*\*Media Advisory\*\*\***

# **PG&E to Give Special Presentation TODAY in Defense of Faulty San Carlos Pipeline**

**When:** 3:00-4:30 p.m., TODAY, Monday, Dec. 2, 2013

**Where:** Auditorium, California Public Utilities Commission

505 Van Ness Ave, San Francisco

**What:** Historic and potentially eye-opening and riveting presentation by Tony Earley, CEO and Chairman of the Pacific Gas & Electric Corp., at the CPUC. Earley will present the company's final comments about why it failed to disclose faulty pipeline records in San Carlos to both the CPUC, the public and the City of San Carlos for nearly a year, creating a possibly dangerous public safety issue that one of its own engineers likened to possibly "another San Bruno situation" in an internal email to PG&E executives.

**Why:** PG&E is facing a fine of up to \$17 million for violating CPUC rules for discreetly filing an "errata" – the legal term for a minor correction – on the status of two pipelines, located in San Carlos and Millbrae, nearly a year after a gas leak unexpectedly revealed faulty records for those pipelines. Pipelines listed as "seamless," as in the case of the line that ruptured in San Bruno, were in fact a 1929 vintage welded and reconditioned gas pipe with a strength test less than records showed. The legal correction was made quietly on the afternoon of July 3, 2013, a day before the CPUC took off for the July Fourth holiday, disclosing the fact that PG&E had relied on faulty records to determine

the specifications for those pipelines to handle gas at high pressure.

**Background:**

City of San Bruno officials have agreed with the proposed fine against PG&E and are calling on the CPUC to uphold proposed sanctions against PG&E for deliberately covering up the facts after it used faulty records to determine that two Bay Area pipelines could safely operate – a decision demonstrating the continued problem with PG&E record keeping practices. Bad record keeping was one of the causes of the 2010 PG&E disaster in San Bruno and continues to threaten public safety.

Calling the July 3 PG&E filing a “brazen and calculated act of damage control,” San Bruno attorneys say PG&E’s latest legal maneuver illustrates PG&E’s ongoing attempts to cover its tracks as it continues to use natural gas pipelines at inappropriate operating pressures, without accurate records and with the same flawed materials that caused a tragic explosion and fire in San Bruno that killed eight, destroyed 38 homes and damaged scores more.

City officials were shocked to discover that, after gross negligence and bad recordkeeping by PG&E resulted in the fatal tragedy in San Bruno, PG&E paid its legal team to perpetuate their deception at the risk of public safety. They are now calling on the CPUC to issue sanctions and send the strong message that such behavior will not be tolerated. Officials question how many communities must endure tragedy before PG&E and our state utility regulators wake up and put safety first.

Faulty recordkeeping was found to be a major contributor to the explosion and fire in San Bruno after federal and state investigators found that PG&E had maintained bad or nonexistent pipeline safety records for much of its 1,000+ miles of urban natural gas transmission lines. As a result, state regulators required PG&E to lower pressure on its other Peninsula gas pipelines until safety records could be verified.

In 2011, PG&E declared that the pipeline construction records were accurate for both Line 101, which runs from Milpitas to San Francisco, and Line 147, which runs in the San Carlos area. Based on PG&E’s representations, the CPUC allowed PG&E to increase the pressure back to pre-explosion levels.

In reality, PG&E’s pipelines were not rated to operate at higher pressure,

as revealed after an October 2012 corrosion-related leak in San Carlos revealed seams in the pipeline previously not thought to exist. Yet, it took nine months for the company to admit – by way of the subtle “errata” filing — that the records it had relied on to make that determination were faulty.

At previous CPUC hearings, regulators pressed PG&E over the “profoundly troubling” oversight, which occurred despite “the expenditure of hundreds of millions of dollars for record review and validation.” PG&E now faces fines of up to \$17 million, on top of a possible \$2.25 billion penalty and fine stemming from the fatal 2010 explosion and fire in San Bruno.

San Bruno officials say this is just the latest example of PG&E expending millions on top attorneys – more than \$120 million by PG&E’s own admission – to subvert the truth and put profits over people.