

Q. 1069.01. PG&E reported 18 leaks attributed to welds or material flaws in your natural gas transmission pipelines between 2001 and 2009. The largest number – six – were reported in 2009. In 2009, PG&E ranked fifth in the country among more than a thousand companies for leaks attributed to welds and other material flaws. Here are the questions regarding that piece of information:

Preliminarily, PG&E notes that looking at the total number of leaks is misleading, and leaks per mile is a much better metric. PG&E has over 5700 miles of transmission line. According to the PHMSA website, over the past five years PG&E has been either the second or third largest natural gas pipeline operators in the country in terms of miles of transmission pipe. So comparing the number of leaks on our system to the number of leaks on a thousand companies with much smaller systems is grossly misleading.

a. How many of those six leaks reported in 2009 were attributed to welds?

Two leaks were attributable to issues with welds.

b. Where were those six leaks located, which lines, etc?

The six leaks were each located on different lines in the PG&E system:

- Line 111 in Fresno
- Line 300A in a meter pit in Avenal
- Line 300A in a PG&E station in Bakersfield
- Line 107 in Livermore
- a Distribution Feeder Main (DFM) in Ridgecrest,
- a DFM in Pengrove

c. Were they all discovered in the calendar year 2009?

Not necessarily, the DOT report is for leaks "eliminated/repaired" during the calendar year.

d. Why was PG&E fifth in the nation for leaks attributed to welds and other material flaws in 2009?

As explained above PG&E is one of the largest operators in terms of transmission mileage, and in 2009 was the third largest operator in terms miles of transmission pipelines.

PG&E cannot comment on how other utilities report their leaks. PG&E takes a conservative approach to reporting leaks, and has at times reported leaks that may not need to have been reported under a strict interpretation of the regulations.

e. I'd also like to get similar information for the 12 other leaks discovered in 2008 (two); 2007 (two); 2006 (four); 2004 (one); 2003 (one); 2001 (two).

Of the two leaks in 2008, one was due to an issue with a weld at a district regulator station located along Line 21e in Windsor, and the other leak was a material defect on a 3/4-inch fitting in a regulator pit in Sacramento.

Of the two leaks in 2007, no leaks were associated with weld issues. One leak was associated with a valve on Line 400 in Sacramento and one was on a tap connection on Line 121 in Sutter.

Of the four leaks in 2006 no leaks were associated with weld issues. One leak was associated with a material defect on Line 105N in Oakland, one leak was associated with a material defect on Line 153 in Oakland, one leak was associated with a material defect on a DFM in Salinas and one leak was on Line 118 due to a vehicle impact on a valve.

There were no leaks attributable to welds or material failure in 2004.

One leak was reported attributable to a weld or material failure in 2003; further research would be needed to provide more information regarding this leak.

Of the two leaks in 2001; further research would be needed to provide more information regarding these leaks.

Q. 1069.02. PG&E reported an unusual number of natural gas transmission line leaks in 2009 and 2008 that were categorized as “other”, which means that the cause was not specified. In 2009, PG&E led the country, by far, in reporting leaks in the “other” category. In 2008, it ranked seventh in that category among about 1,500 companies.

a. Why?

As explained above PG&E is one of the largest operators in terms of transmission mileage, and in 2008 and 2009 was the third largest operator in terms miles of transmission pipelines. So, in fact, ranking 7th in the country in 2008 indicates that PG&E had less “other” leaks per mile than the other largest operators that year.

b. Does the company not know the cause of those leaks? (the other reporting categories are corrosion; natural forces; excavation; other outside forces; materials and welds; and equipment and operations)

No, it does not mean that PG&E did not know the cause of the leak. As noted in the instructions for completing the 7100 form the “other” category includes “leak resulting from any other cause, such as exceeding the service life, not attributable to the above causes.” For example, PG&E includes in “other” leaks where PG&E performed an immediate response and repaired the leak by tightening, lubricating, or adjusting. These leaks are generally would be considered minor in nature. There also maybe instances where the cause was not known at the time the form was filled out.

c. Why doesn't the company know the causes of those leaks?

Not applicable.

d. Why did PG&E lead the country in not knowing the cause of leaks?

Not applicable.

Q. 1069.03. PG&E reported in its 2009 annual report that it did not know the age of 36 miles of its natural gas transmission lines.

a. Why don't you know the age of all your pipelines?

As we have recently explained, PG&E has begun a major effort to validate our records. The issue of having pipelines of unknown age is common to the industry, as most operators have older pipe for which records are sometimes incomplete. PHMSA recognizes this industry challenge, and in fact its annual report form expressly includes columns for unknown year of installation and unknown diameter of pipe. PHMSA's Instructions for Completing Form 7100.2-1 provide, in part,

We recognize that some companies may have very old pipe for which installation records may not exist. Enter estimate of the total of such mileage in the **UNKNOWN** section of item 3: "Miles of Pipe by Decade of Installation".....

Where decade of installation is not known because records do not exist for such information, enter an estimate of this mileage in the UNKNOWN column

As with other operators, PG&E's record-keeping processes have evolved over the decades in which it has been operating its gas transmission and distribution systems, and many of the older records were paper based.

b. Where are these pipelines locations where you do not know their age?

Various locations.

Q. 1069.04. PG&E reported in its 2009 annual report that it did not know the diameter of a short portion of natural gas transmission line, around a tenth of a mile (.12 miles).

1. Why don't you know the diameter of that pipe?

See response to 3a

2. Where is that pipeline located where you don't know the diameter?

Various locations (some as short as one foot).