

PG&E/City of Lafayette/GSTF/CPUC Follow-Up Meeting April 25, 2019 = Meeting Notes

Attendees:

PG&E: Marvin Nushwat, Christine Cowser-Chapman, Benny Barnes, Tom Guarino

City of Lafayette Greg Wolff, Katrina Lapira

Gas Safety Task Force (GSTF): Michael Dawson, Gina Dawson, Dennis Kuzak, Howard Fuchs

CPUC: Terence Eng

Meeting Context:

This meeting was second gathering of stakeholder representatives after the Sept 10 Lafayette City Council meeting, and first “alliance” meeting on Nov. 13, 2018.

Meeting Purpose/Objectives/Agenda:

See meeting agenda, attached.

Next Steps:

- Next meeting scheduled for May 28 (Tuesday), 2pm-4pm, City offices.
- PG&E to provide list of Lafayette-specific distribution and transmission gas pipeline risks, and the activities being conducted to mitigate these risks. Also will look at “worst case scenario” events.
- Group to further explore dig-in issue, including ability to require 811 calling, calling when planning department is contacted, expanding Gold Shovel program, etc.
- For questions, write to Tom Nadolski, copy Marvin & Tom G. PG&E to look into providing access to local engineer who knows Lafayette pipelines.
- PG&E lawyer to contact Save Lafayette Trees lawyer regarding Briones trees CPSI work starting mid-May.

Meeting Notes:

1. Introductions. Lafayette changes: Cam Burks stepped down as Lafayette Mayor, Mike Anderson is now Mayor and Susan Candell is Vice-Mayor. The Mayor and Vice-Mayor both expressed interest to be involved in these meetings, but had conflicts today.
2. Local integrity management of most interest to group. Going forward, PG&E said they will need to determine what they can and cannot share about Lafayette priorities. Today PG&E can talk about how it thinks about it in big picture, and PG&E will bring more detail in next meeting.
3. Lafayette residents would want contact for activities between meetings. PG&E confirmed Tom Nadolski would be point of contact for day-to-day questions and that Marvin & Tom be copied.
4. City of Lafayette was enlightened to learn PG&E & CPUC both work to identify risk and mitigations. There are many types of risks, would be helpful to look at categories. Big picture needed before specifics.

5. Follow-up from last meeting: GSTF confirmed CPSI (tree) information was sent prior to the meeting, however local gas projects were not. PG&E then passed out a 14-page handout "Lafayette Gas Safety Meeting" and pointed to page 14 listed the latest list of projects for both transmission and distribution.
 - Most work this year is valve related
 - St. Mary's Rd capacity project continuation on 3001-01. Small section remaining from last year's project.
 - ILI - largest diameter, highest pressure, already outfitted with entry points. This line picked as it has biggest PIR (potential impact radius).
 - 191-1 to receive automated valve. It can shut down more than one system.
6. PG&E said In general they are doing more valve automation. Since gas is like a compressible fluid is like a wound up spring, it takes a while to release. As an industry, there are goals to see how fast to isolate lines and reduce gas quickly. PG&E moving to valve automation, and station them in locations to give a reasonable blowdown. Second priority to put valves in higher population densities. Control center will shut down quickly, personnel will be dispatched for manual valves closer to location. Right now, Lafayette doesn't have any automated valves.
7. Lafayette expressed concern with information given by PG&E due to inconsistencies and doubts of information received. That's why the CPUC's Safety Enforcement Division was contacted. Concerns include: ILI not being a project two years ago, incomplete information, inconsistent HCA descriptions, uncertainty of prioritization, inconsistent testing, DFMs being redefined as TLs. Looking to PG&E and CPUC to get assurances that "safe as possible" applies not only to overall picture, but community. Why GSTF is asking for local integrity management plan.
8. PG&E said this inconsistency is due to things changing. PG&E reevaluates on annual basis, including analysis, HCAs, risk analyses, portfolio of projects. Snapshots are 4-6 months apart, that's why lists are different from what was given before. If valve is discovered to be a problem, it would appear as a new project, and that's what the community would want. It shouldn't be concern, it reflects dynamic profile.
9. Lafayette residents said PG&E has provided a lot of information, but has not painted picture of how they think about it. Gas safety task force was formed to get understanding of the pipeline, why projects are being prioritized, etc. Then we can communicate and support, or advocate for projects.
10. The City asked for primer on pipelines: transmission goes to distribution, very low (quarter pound) pressure in homes. We confirmed the primary area of concern is transmission, but also distribution needs to be considered for a complete local view. For example, it's where dig-ins happen.
11. Christine reviewed the hand-out presentation:
 - PG&E looks at top-down & bottom-up views. Both relevant to conversation.
 - PG&E: Enterprise & risk management operations to 8 asset families (storage, transmission, compression units, etc). They all have their own risk registers (top risks), quantitative top risk drivers and consequences. For the top risks on the system, PG&E looks at programs to control or

mitigate risks. These end up being the framework for rate cases. PG&E filed first in 2017, next will be 2020, also there is a RAMP (Risk Assessment and Mitigation Phase) program. The next model will be much more robust as it will be using PG&E specific-data, and mainly PHMSA data as before.

- Rate increase for PG&E will be partially applied to reducing risk on gas transmission and storage.
 - Enterprise information gives a system-wide lens to show where to put more energy and funding that is risk informed. Only then PG&E looks at integrating specific section and roll up into program, that's how to develop granular view. Examples: vintage pipe program and ILI. PG&E looks at risk across the system based on specific risks and where they fall in program. Also, regarding code 49 CFR 192 subpart O, where are HCAs? There are compliance drivers across system. But vintage pipe in Lafayette project may be overridden by higher risk in another community. With ILI, as more lines piggable, see where we are in risks. Will inspect based on that risk. Gives idea why things go in and out of lists over time.
12. GSTF asked what is PG&E doing to improve process given PG&E evaluated to be worst in the nation as highlighted by Pipeline Safety Trusts' letter. Is there continuing evaluation? PG&E said yes, they are required to do so in HCA, and there are additional programs beyond subpart O, like vintage pipelines. When performing assessment, there is continual improvement. PG&E also has done analysis of this PST data. They see flaw in using reportable incidents are primary driver for reporting since California costs are highest in country, easy to spend \$50K.
 13. Big driver in transmission and distribution incident rate is dig-ins. More than 50% of the incidents are not 811 calls. PG&E is getting more usage of one-call system, but also many more people not using the system. PG&E doesn't know why. Enforcement is getting better in California and that might help, but dig-ins continue to be a "thorn in the side" of PG&E.
 14. The group explored 811 / dig-in incident prevention. PG&E enforces 811 calling. It's a state law and a \$25 gift card given to PG&E employees who see non-compliance. There is DIRT (dig in reduction team), they can issue citation if seeing digging, offer training, and investigate damages. 4216 (new law) enforcement. Homeowners are exempt, but not contractors. Fencing, landscaping are highest rates of dig-ins. PG&E itself has no enforcing authority. Lafayette City did not know it was a law to call 811. The group suggested we might consider mandatory reporting by employees instead of incentivized. City has heard PG&E has backlog on turning on gas; if true for 811, too long. It's usually two day wait. Can make call when getting permit, may decrease lag time. PG&E said experienced contractors do call in early, and 48 hour window is not a problem. PG&E said there is "Gold Shovel" program: companies can be hired by PG&E. Communities commit to program as well, won't hire contractors who aren't Gold Shovel. PG&E employees working on Gold Shovel program weren't in attendance for today's meeting to discuss. CPUC working closely with Dig Safe board to establish guidelines for enforcement teeth. Contractors billed for costs of damage and loss of gas, but no other damages. It was thought that bonuses to construct quickly might outweigh costs of fixing problems.
 15. City and residents both want to know what are the high-level risks. What is the assessment and prioritization? The categorization? PG&E replied there are 9 threat categories for transmission, 8 threat categories for distribution as called out by code. This is the framework to identify threats and risks to pipeline. PG&E gave examples: leak surveys caused by any of these; damage prevention for excavation damage; pipeline replacement program addresses construction threats associated with land movement; strength testing for manufacturing threats. Slide 10-11 show summary of programs. PG&E identifies threats & risks associated with pipelines, they identify programs that address them that then go into the rate cate.

16. Lafayette residents also want to know what are HIGHEST risks in Lafayette. What's the worst thing that could happen here, such as if San Francisco's recent explosion had been windy that day? PG&E's challenge is not to prioritize community-specific work. If this thought-exercise comes up with something new, PG&E supports. PG&E agreed to highlight risks in Lafayette, compared to other risks.
17. What does PG&E do when they don't have complete testing data, etc? PG&E takes most conservative view. Example: there are cases where no knowledge of coating type, so PG&E will give it the highest risk factor coating type (using worst case). But PG&E trying to get better data set because if everything too many conservative, then everything looks high risk.
18. Lafayette presents an opportunity for PG&E to close gap between residents and answers. PG&E said Lafayette does have engineer dedicated to our system, they might be able to get more engaged. Christine might give that person ability to participate to give us higher confidence in what's going on, Christine doesn't have that granularity. Christine & Benny have "big picture" responsibilities. PG&E clarified residents' info requests first goes to engineers, is blessed, and then goes through marketing firm. PG&E wants to know if information "doesn't hit the mark" and offered face-to-face meeting or phone call might be better.
19. The group discussed transmission vs. distribution line definitions. Christine: Lafayette transmission pipelines and DFMs are low risk; compared to other pipeline operators across country, DFMs wouldn't be considered transmission by definition since they are lower stress, smaller diameter, considered lower risk. But PG&E treats them as transmission, so they get more attention if they were managed by another operator. They changed because PG&E changed definition since they wanted consistency across their assets. Transmission line is anything over 60 psi, and more conservative than most industry. Why the definition was changed: PG&E wanted to make sure definitions compliant; code is not black & white. (distribution center definition can be interpreted different ways). It's also additional safety factor. CPUC stated they may make consistency across all CA operators in the future, although not confirmed yet.
20. Lafayette would like to see PG&E's risk model; PG&E stated RAMP risk models are being revamped from first version. Lafayette residents pointed out there some inconsistencies in PUC review of RAMP, like wildfire is ranked as #5 risk in enterprise. (GT&S) PG&E referred to page 6 of handout as summary of risks. Lafayette appreciated the information. PG&E had details of risk algorithm (factors, weightings) 160 data attributes. But wasn't able to pass out, and groups said it was okay not to go into details. We're interested in larger picture risks.
21. GRC & GT&S: (transmission storage rate case, only gas transmission & storage), GRC is general rate case (gas distribution, etc). Rate case is justification/proposal on rates to run business, and discussed with interveners during CPUC proceedings. CPSI wasn't part of the rate case, but it does factor in risk models, tree roots investigation, shows up in threat matrix.
22. Regarding CPSI, Briones trees removal will happen in May. David K will reach out to Save Lafayette Trees' attorney.
23. For next meeting, PG&E likes idea to create RAMP equivalent view for Lafayette specific for both transmission and distribution lines. Meanwhile, CPUC is requesting data from PG&E for Lafayette specific pipeline information. CPUC confirmed they received this information two days ago, and have assigned engineers to review. This came from residents wanting to have information beyond the CPSI program, what are the risks. PG&E asked to know purpose of getting pipe spec data: would it support MAOP and meeting pressure test requirements? PG&E already knows some pipes untested. Lafayette residents confirmed they were getting inconsistent information, incomplete

information from PG&E. PUC was responsive in helping us get this information, but we're still working on getting it. Risks are low in Lafayette, but the consequences are major.

24. GSTF reiterated goals are to educate the community, and to regain trust in PG&E's information. Line 191-1 down Mt. Diablo was listed in felony indictment after San Bruno, but doesn't know if it was addressed. PG&E: replied yes, it was addressed. GSTF is also looking forward to the information about tree specific interactions with coatings as asked by CPUC eight months ago. Individuals at PG&E were not aware of these data requests.
25. Regarding dig-ins, residents want to help PG&E and City. Let us put our mind together to help solve issue.
26. Marvin summarized follow-ups since he needed to leave: submit request to see mandatory reporting (dig-ins); connect us to local person; how we mitigate risk in Lafayette, and what is highest risk? two attachments of RAMP program.
27. Date set for next meeting: Tuesday, May 28 @ 2:00-4:00pm.
28. City said handout info was helpful, can continue to review next meeting. Maybe help identify highest risks in Lafayette, then next level risks. PG&E confirms excavation damage is highest risk. RAMP as applied to Lafayette. PG&E will put this together, but will it address all of our concerns? Lafayette residents reiterated there remain confusion on projects and information given, such as BAP plan stating unstable pipelines. PG&E said those are untested pipelines. Lafayette residents would like to know how they came up with this data.
29. For next meeting, PG&E is planning on rolling up risk model for Lafayette since not a lot of data of actual incidents on local transmission pipes. PG&E said across 9 threats, manufacturing might show up as top since strength testing not done, etc. On distribution can do something similar; will probably be excavation damage based on experience of damages in Lafayette. We can look at the risk model, including internal corrosion, external corrosion, etc. based on information of our pipelines.
30. Lafayette expresses this is a communication issue and we hope to bring down dig-in incident rate in Lafayette. We can be model for other cities. PG&E states people don't normally pay attention to utilities, so awareness an issue.
31. Gina passed out dig-in handout that summarized dig-in incident rate in Lafayette and more detailed questions. For next meeting, PG&E will paint big picture (including dig ins), and PG&E will show what they're doing to address these risks. Includes longer range. PG&E concerned not only providing data, but painting a picture. They want to do this more effectively.
32. CPUC confirmed their role to ensure safety and reliability. If anyone in public has concerns, CPUC will make sure they are addressed to make sure utility is following the law.
33. Agenda for next meeting: PG&E will bring a list of Lafayette-specific pipeline risks and the projects being proposed to mitigate or address these threats. In a subsequent meeting when appropriate, PG&E can bring gold shovel people who were supposed to be at this meeting. Marvin, Tom to confirm agenda.

2019 Gas Safety Alliance Meeting Plan

Lafayette City offices, 10am-noon

Attendees: CPUC, PG&E, City of Lafayette, SLT & residents

Meeting Context

This meeting is the second stakeholder gathering to continue discussing safety prioritization of gas pipeline operations in Lafayette. The first meeting of the “community safety alliance” was held on Nov 13, 2018.

Meeting Purpose

To continue the collaborative working relationship that would produce, upon completion:

- 1) Improved gas pipeline safety in Lafayette
- 2) Confidence and trust between stakeholder groups and in Lafayette’s pipeline integrity plan

Meeting Objectives

1. Continue and expand the positive working relationship created during the first meeting..
2. **Achieve consensus on next steps re dig-ins: information needed, timeframe, contacts, etc.**
3. **Agree on process for identification of Lafayette gas safety risk priorities and mitigations.**

Agenda

1. Introductions and confirmation of agenda
2. Follow-up items: (15 minutes)
 - a. PG&E review of follow-up materials (see p.2 of 11/13/18 meeting notes)
 - b. Community - Update on citizens gas safety task force
3. **Issue discussion: address Lafayette dig-in incident rate, >50% on valid 811 tickets (15 minutes)**
4. PG&E summarize current gas IM program (15 minutes)
5. Discuss proposed charter framework for creating “Local IM” program - attached (30 minutes)
6. Issue discussion: CPSI Program (30 minutes)
7. Any additional items
8. Agree upon next steps and expected deliverables