

**Lafayette Gas Safety Alliance Follow-Up Meeting
PG&E/City of Lafayette/GSTF/CPUC
Sept 4, 2019 Meeting Notes**

Attendees:

PG&E: Bennie Barnes, Lanthy Le, Tom Guarino

City of Lafayette Greg Wolff, Mayor Mike Anderson

Residents / Gas Safety Task Force: Gina Dawson, Dennis Kuzak, Howard Fuchs, Michael Dawson

CPUC: Terence Eng

Meeting Context:

This meeting was a gathering of stakeholder representatives to discuss draft report of line 3001-01.

Action Items & Next Steps:

- Next meeting scheduled for Oct 16, 2pm-4pm, City offices.
- Terrence to check with Paul Penney if there are field inspections for TAMP audits.
- Terrence to check if he can share audit questions of PG&E (UPDATE: Completed)
- Residents agreed to mark-up Word document and send PG&E w/list of the data we expect to see, and to include questions what were asked in original email response to PG&E's draft.
- Residents to send specific title of vertical displacement report referenced for the CPSI program by Dynamic Risk Assessments, and PG&E to provide report. (UPDATE: Residents sent title)
- Exposed pipeline: PG&E to provide when Buckeye Ranch Trail designated as exposed span, share geosciences and shallow/exposed pipeline reports for that location, and where it falls on exposed pipeline program priorities. PG&E will consider removing trees above pipeline.
- Michael to send Bennie/Lanthy geo-location of Buckeye exposed pipeline (UPDATE: Completed).

NOTE: subsequent emails were sent between residents & PG&E regarding additional exposed pipelines discovered in Lafayette/Briones. See email dated Sept 24th titled "Re: A Commitment to Lafayette Community Pipeline Safety", attached.

Meeting Notes:

1. Introductions, safety moment, PG&E passed out DFM 3001-01 draft document.
2. Residents asked to review end-goal of these meetings: for a local integrity management review of risks of five transmission pipelines. They want PG&E to identify threats, sub-threats, and risk to pipelines (likelihood of failure & consequences.) PG&E has jumped into mitigation programs. Residents still don't understand why certain things are happening, we've mainly focused on holistic programs of PG&E. Information should be more comprehensive. For each line, we like to get relative information (dashboard), then periodically monitor going forward to be in sync with PG&E in gas safety. With common database, knowing what's relevant to risk for all lines, valves, etc. PG&E document was a good start. City said to PG&E this is a feedback process, community tells us what's important, and this can be a model for other communities.
3. PG&E said they wanted to start anew from prior meetings, and just take one line and describe what residents are looking for as they haven't met expectations in prior meetings. This concept document is to do something different. ASME B31.8S Appendix 4 has associated data, but those aren't threats, only factors in sum that could drive risk. For corrosion threats, sub-threats are only atmospheric & underground corrosion. PG&E made conscious decision that this granularity is not helpful, but if it is, they can do it. Internal corrosion here close

to zero, and there are a lot of factors that feed into it, not different sub-threats. It breaks down to: does it have water or not? Need to be near production or storage facility, and Lafayette is far from either. Residents understand this, but said other threats may have better breakdowns, and we thought there would be LOF numbers given to all WROF threats as requested, not just a visual representation. Also, LOF bar chart for 3001-01 exactly same as Lafayette-wide LOF bar chart which seemed odd, PG&E confirmed that it is correct. Are all pipeline LOF charts going to be same then? PG&E replied that chances are they will be very similar, but easy for PG&E to show for each pipeline. PG&E wants to focus on 3001-01 now, getting it right.

4. How does PG&E get data if they cannot measure, such as corrosion with no in-line inspection? PG&E confirmed there are lots of risk factors. See Appendix 4 of ASME B318.S, which is industry standard. In each major threat categories, it talks about the data needed, and is the beginning of what PG&E looks at and rolls into risk assessment calculations. Example: coating damage is a contributor to external corrosion; so coating type, age of installation, condition of coating, etc. gives coating attribute for risk assessment. Appendix A is starting point, then PG&E adds what's known about the pipeline system. Residents pointed out some attributes add to risk, some don't, so for line-specific risk we should look at attributes like bends or abrupt changes which lead to stress corrosion. Also Lafayette specific terrain, depth, creeks and pipeline construction, etc. We'd like to get to specific risks that exactly mirror what we have in ground. PG&E said that data is extremely detailed. 3001-01 DFM has been looked at foot-by-foot, and hundreds of factors, rolling up into length-weighted average factor. This view could cause you to miss something. "Flaw of Averages" by Sam Savage (from Stanford) mentioned. These numbers are mean, don't have tail numbers here. Example: DFM 3001-01 had a capacity increase program completed last year that also took care of lower-priority vintage pipe issue. In the map PG&E provided, a tiny section of pipe replacement section was shown, for microscopic risk location. But had it been on the vintage pipeline replacement program list, would be identified as a very high risk. Average for entirety of 3001-01 does not have that risk, so the average doesn't look as bad. City asked: "PG&E said 'had it been on the list', so why WASNT this on the list?" PG&E said it was on capacity (reliability) program and two programs overlapped. It was driven by the capacity program. Residents said that's the problem: it's lower on system wide risk look, but in Lafayette would have it been #1 vintage pipe risk?
5. PG&E said no, see Table 3, page 6, to show the framework of how they look at it, although this could use more details. Starts with identification of risks. Then Table 1, Page 4, says for what programs apply to 3001-01 and what risks does it address? PG&E said this addresses BOTH 3001-specific and Lafayette-wide; programs have potential touch to Lafayette and across system. Table 1 not meant to track risk reduction; meant to show what threats each program addresses. PG&E wants to show how variety of programs addresses various risks. Green dots main driver; blue dots "come along for the ride." PG&E said there are others.
6. Residents said we're trying to keep track of activities, and it seems PG&E is managing pipeline by programs. PG&E said see page 6 for list of programs. Example: Vintage pipeline replacement for risk reduction within 2016-2021 timeframe. PG&E's focus is to replace in this time period due to high land risk & many people in area. They look at total risk values and prioritize. That project would have been beyond 2021 if just looked at risk to pipeline for vintage pipeline. Residents pointed out that map PG&E provided is incomplete with HCA, PG&E admitted they pulled the wrong map.
7. Residents want to know more basics (specs): history, when tested, when it was cathodic protected & that they're known by PG&E. PG&E said we agreed to bracket 2016-2021 based on request, not when it was first installed. PG&E said they heard if there was a truck, we wanted to know why. Lanthy thought PG&E did a good job connecting high level threats & project specific to address these threats. The document correlates all threats & all programs, as listed in Table 3. Do residents want all of the non-HCA information? Residents responded some of 3001-01 recently listed as HCA, so PG&E hasn't tested the line and doesn't have the pipeline data to determine risks. How does PG&E decide to spend money on replacing the exposed portion of 191-1, but not other pipeline segments that are higher consequence? PG&E said there's risk & there's compliance. We haven't spoken much about compliance. There's clear code about atmospheric corrosion, wherever there is exposed pipe, PG&E must visit every 3 years not to exceed 39 months, must do atmospheric corrosion inspection and produce a document. They have grading process for condition of pipe of location, and when it reaches a certain grades, there is requirement for taking remedial action, and timeframe to take remedial action. It's in the code. Find it, fix it.

8. So, with a coating deficiency on exposed pipe, they immediately begin process to develop process and cannot wait. Same with valve program, look at Table 2 (key maintenance programs). There is a valve safety & reliability program code requirement every year not to exceed 15 months to perform inspection of isolation (shut-off) valves. If found hard to operate, or inoperable or leaking, they must find it & fix it, and document. They do it every year. If a valve cannot operate, they can fix (grease), or replace, etc. Residents asked, why were we told by foreman at S. Lucille & St. Mary's Rd they needed to replace valve since they found it inoperable during the pipeline replacement? PG&E said they found the inoperable valve before the project started, and they didn't want to dig up the street separately. How long was the valve inoperable? PG&E is allowed 12 months to repair or replace. Took them couple months to dig up, determined cannot repair, within 6 months bundled and clearance given. Could have been 2 years total inoperable? No, they have 12 months once it's broken to fix it. PG&E had instance where they identified alternative means of isolation (control), and no longer need the valve. Construction people are sometimes not aware of full situation.
9. Residents spoke to PG&E person at EBRDP bridge and it worked out well. Residents don't want to play "gotcha", just trying to make things better. We have information, and we're concerned we're lower in the totem pole since we're smaller, and also we want to keep track of those projects that we previously were told need addressing. Our two DFM lines in particular are a "big deal" because they run through neighborhoods and believe there is HCA not being accounted for by PG&E. It's why we want to know why what is being done so we can help support this priority. We're hoping to look beyond HCA, for example PG&E's proposed tree removal program, and how it may increase external corrosion.
10. PG&E wanted to clarify preventative programs are for the entire system, not just HCA. Example: leaks, cathodic protection, valves, reliability, etc. are beyond HCA. These are risk and compliance driven. PG&E said they don't address compliance before risk, they address at same level. On non-compliance item, they view the highest risk factors. Example: vintage pipeline replacement program. Looking at "impacted occupancy count" data for entire system, Bennie brought to PG&E from prior employer. He came shortly after San Bruno, saw them treating everything as high risk, which means nothing was high risk. They needed to improve.
11. Residents asked about restarting pilot lights. Is that changing PG&E's look at reliability calculations? PG&E has small weighting regarding reliability from standpoint of total number of customers affected, not percent of gas appliances. PG&E ranks impact of gas shut-offs: less than 10K customers = low consequences; 10-100K customers = medium consequence, 100K+ customers = high consequence. But reliability not weighted as high as safety.
12. CPUC said every 3 yrs they do operations and maintenance inspection of facilities. They did one for Lafayette last year. It was a week long audit, 4-5 engineers, going over PHMSA, G.O.112, 50-100 questions. They go over everything: patrols, leak survey, CP, atmospheric protection, etc. to make sure PG&E complies with frequency. If CPUC lists any issues, they make sure they are addressed. If PG&E says they are addressed, CPUC does samples with field inspections to check corrective actions. Is it just based on records? Yes, 3 yrs worth, then on sample basis CPUC will pick & choose locations for a few days of inspections. Does CPUC do integrity management view? That's a separate audit managed by Paul Penney. It takes 3-4 weeks to look at system as whole. CPUC doesn't usually look at one city, but if they see a city with issues, they will look. PG&E says that audit is with their IM group in PG&E, and it's a compliance audit of 192. Subpart O, regarding integrity management. Residents said it seems like there's a need to check the integrity management of PG&E, and look at implementation of assets in Lafayette. Terence will check Paul Penney to see if they do TAMP field inspections, he thinks so. Lantry confirmed there are audits on all preventative maintenance programs: corrosion, shallow, valve reliability with leak survey and they do field checks.
13. PG&E says they look at compliance mandated safety, but they go beyond. They put people first. For example, they wouldn't want to wait for vintage pipeline program, because that would put people at risk. The robustness of programs starting in 2015 started going beyond HCAs. Today they still use HCA, but also concerned with large number of people near pipeline outside of PIR. Residents said that's also why they brought up fire risk (secondary affect), and PG&E said these are good ideas and are were brought back to PG&E's teams, they just cannot implement these ideas fast enough. Residents find it satisfying PG&E may use this info across the entire PG&E system.

14. City wanted to know from residents: is this draft 3001-01 report/approach more successful? Residents: getting there, but still missing information, like history of tests. Also, page 5 is very generic and does not talk about results of these programs in Lafayette. Examples: were there leaks? Was Picarro used, as asked before? What about the Close Interval Survey done here recently: were there any issues found? We need to drill down since Table 5 doesn't tell us anything about the line. Furthermore, residents understand from PG&E that some pipeline segments are tested, some are not. And why the differences in data regarding wall thicknesses, MAOP validations, installation years listed one year but not another, strength testing listed in one place but not another? Why does it take 6 years to get to strength testing on some lines? Those are just some examples. PG&E said as they do work, this information changes over time. Teams acknowledged there is confusion and frustration. PG&E asked if residents are okay with a format of a report over set of slides? Residents said yes, whatever it takes to get to comfort level. PG&E heard "add more history", is that's what is important? Residents want assurances what is supposed to happen has happened, and what has been prioritized happens accordingly given budget & risk factor. What happened in Sacramento for a recent (PHMSA reported) incident could happen here since they had a similar spec of pipeline as 3001-01. We don't know if we have same risks. In San Bruno, the indictment mentioned one of our pipelines (191-1), we want assurances on its safety. For example: when was CP installed? Do you have enough stations? When was it tested? How is the pipeline is protected if you don't know status of CP. With atmospheric corrosion, we saw some scary things when trying to validate what information was given to CPUC regarding exposed pipelines. Residents don't want to know how great the program is, they want to know what isn't working, the "ugly information", similar to EBMUD notifying customers about potential health issues, which raised our assurance levels in transparency. What's NOT performing well in PG&E?
15. The teams asked: how do we move this forward? We've learned a lot about risk related issues, but do residents need to provide fields to PG&E so we can agree this is what we want to track, and update periodically? This dashboard for safety can be given to council and show we have confidence in PG&E. PG&E said they've supplied a lot, but not at the detail we're looking for. What about a snapshot appendix to the report that includes safety background to each pipeline? It would give all history, broken down by threat categories from compliance & threat standpoint. It would identify all that PG&E is doing, although some information may overlap. Example: what is our leak rupture history on 3001-01? (PG&E said the answer is none since 2001). Since 1961 w/CPUC GO 112, PG&E had requirement to compliance programs (CP, etc), and they can talk about that section and what PG&E has done. First pass may not cover all data, though. PG&E said this would be a storyboard for an appendix A that would get us to starting line and get everyone comfortable. The main document (non-appendix) is what PG&E will do in the future. Residents ask this includes the "why", and status of projects, including explaining if projects have moved. Residents have frustration when things don't happen when they should. Residents asked CPUC when they do audits, is the checklist based on prior audits, and does CPUC check to see its been done? CPUC said each audit they ask 50-150 questions all topics of page 5 and more, and they only shared the 2 page report in the last meeting. Can CPUC provide these questions? Terrence will check. PG&E concerned residents using to create a backward looking audit. PG&E asked residents if they could provide explicit information on what should be added: what data, what fields are needed? What history, what track going forward? Residents agreed to send. PG&E said they could add another column to their table. Residents said they will put into writing. They can glean from CPUC fact finding checklist. Next steps: review PG&E draft document thoroughly, markup Word document and send back to PG&E. PG&E said there received questions in email document review and asked if residents will bundle those questions again with the feedback that will be provided.
16. Residents asked for vertical displacement study from CPSI as referenced in Dynamic Risk Assessment report. Residents will send PG&E/Bennie specific title of the report.
17. Valve automation was discussed. Dennis will send report to Bennie, and resend any remaining open questions on valves to Bennie. Special concern is valve closing information. PG&E said there are issues, including valve operator qualifications, etc. We want to be preventative and help work on emergency response.
18. Exposed pipelines discussion. Why did PG&E tell residents in previous slides that Lafayette had no remaining exposed pipelines in Lafayette, yet the 2018 data response to CPUC shows 14 exposed pipelines in Lafayette/Briones. And what are design spans? PG&E said they used their data from the Pipeline Pathways study regarding depth of cover, they included locations that are zero feet. Presumption were made by PG&E that people reviewing the data thought zero feet meant exposed. Residents and the City expressed surprise

that this wouldn't be true. PG&E said they've since gone out to those exposed locations, and the previous slide was a result of that process. It was unclear if previously exposed pipelines were a data error or previously covered by PG&E. Residents asked what is a design span? PG&E said it's a location identified as being maintained atmospheric piece of pipe, with supports as necessary. These are intended to be above ground. Residents asked if they are then protected from weather & outside forces? PG&E said "somewhat". PG&E said one design span in Lafayette is hung under a bridge and is protected to certain extent. PG&E said there's another one on 191-B that has a spiderweb, so protects people from walking on it. Other than these two design spans, they don't have any areas that are exposed. The CPUC discovery response listed pipelines that were either identified inappropriately as exposed, additional locations not exposed, or one that was repaired. PG&E said they made it confusing for people by saying Lafayette had exposed pipe when it did not and PG&E said many of these were in Briones. Residents asked because CPUC Office of Safety Advocate brought up issue in Rate Case regarding why 4' segment was mitigated in 2018, but may not be highest risk pipeline in Lafayette/Briones.

19. Lafayette residents brought up the Buckeye Ranch Trail exposed pipeline concerns and shared pictures from that location that showed the pipeline with coating damage, overhanging trees in an area of tree failure, large sag in line, and where PG&E cut trees around it as part of CPSI program (but not the overhanging trees.) PG&E said "Teddy" identified it as exposed pipeline, and said it's in the Exposed Pipeline Program. Residents said this is Tier 3 vegetation and that it's threatened by two overhanging trees on either side. PG&E said geo-sciences/hazard went out last year & sent Lanthy photos. Lanthy will check on the studies that were done. One tree brought up during that PG&E discussion, and she will see what report was generated. Residents pointed out one large tree nearby had fallen within the last week, and unnecessary CPSI tree cutting happened on either side of the exposed pipeline. Residents expressed concerns about the exposed pipeline coating damage has been left for a while, and local resident reported flooding that may sweep debris laterally in heavy rains. Residents said this is why they're concerned and why they lose trust in PG&E. Residents said CPSI program is not based on integrity management programs and has taken preference over pipeline right next to where a fire could affect all of Lafayette. Why didn't this pipeline show up in CPUC report? Is it design span because not listed; the contractor in Gas Safety Task Force told other task force members that he doesn't believe looks right.
20. PG&E responded: it wasn't on original report because it was not part of Briones or Lafayette, but residents corrected that it is. PG&E then said it wasn't part of Pipeline Pathways discovery, but it is listed within Exposed Pipeline program, so it's been identified. Residents asked where it falls on prioritization. PG&E doesn't know but can find out. Residents pointed out we were also assured 4' segment off Lafayette/Moraga trail (now buried) was also in Atmospheric Corrosion program and was safe, but PG&E still spent money on it. Residents would have much rather see PG&E spend it on this exposed pipeline. PG&E said as public utility they needed to serve the community. They confirmed 4' segment had no corrosion, pipe was low SMYS, but since community posted on Facebook and expressed concern, PG&E feels like they needed to work with the community, and since it caused concern, they took action. PG&E stands by the statement the 4' segment was safe. Residents said the real concern is the converse: PG&E saying it was safe, but then fixing it. And if there's a budget issue, PG&E should put the money into what is the highest risk. PG&E's said their priority is to mitigate exposed pipelines with high likelihood of failure and in a HCA. PG&E's inventory starting in 2015 has nine years of work given the funding in the Rate Case. The City then asked the residents if they want trees removed at the exposed site? Residents said yes, trees over the pipeline that are a threat. PG&E said they can explore. Lanthy will circle back to geo-hazards team and shallow and exposed pipe owner to see how they are handling, and what mitigation is in place. Residents see this as a "smoking gun", that PG&E is ignoring trees threatening over the pipeline, and are cutting trees for the CPSI program at that exact location for reasons that are not risk based. City said they wanted to shelve that conversation to later.
21. October 16, 2pm for next Alliance meeting. Nov. 12th for residents on Gas Safety Task Force to present to City Council. City Council would like report from GSTF to distill what we've done and get our impressions.
22. For next time, would like to talk about HCA, but we didn't get to it. Related to shut off valves. Bennie provided HCA handout. For next meeting, Bennie will send around next steps for group to modify as necessary. We'll also focus on creating report template for line 3001-01.