

PG&E/City of Lafayette/SLT/CPUC Follow-Up Meeting – November 13, 2018

Meeting Notes

Meeting Attendees

PG&E

Joe Echols	Marvin Nushwat	Christine Cowsert Chapman
Tom Guarino		

City of Lafayette

Greg Wolff	Eric Singer	Jeff Heyman
Mike Anderson		

SLT

Michael Dawson	Gina Dawson	Dave Kusters
----------------	-------------	--------------

CPUC

Ken Bruno	Terence Eng	Joel Tran
-----------	-------------	-----------

Federal Monitor

Chris Keegan

Lafayette Residents (4)

Meeting Context

This meeting was arranged to follow up on commitments made by stakeholder representatives at the Sept 10 Lafayette City Council meeting on gas pipeline safety.

Meeting Purpose/Objectives/Agenda

The Nov 13 meeting plan is shown at the end of the notes ([page 9](#))

Key Conclusions/Points of Agreement

1. Multiple Lafayette residents had an initial concern (2017) about the impact and justification of tree removal; this has evolved to a broader awareness and concern about overall Lafayette gas pipeline safety.
2. This group's purpose and how it will operate:
 - a. The purpose statement for the Nov 13 meeting ([p 9](#)) accurately reflects all attendees' desire that our Nov 13 meeting represents the first in a series of collaborative meetings intended to ensure safety excellence for Lafayette's gas pipelines, plus improved understanding and trust.
 - b. Future meetings of this group will include a limited number of representatives from the Lafayette community, PG&E, CPUC, and the City government in pursuit of the above purpose.
 - c. We recognize that for most residents the trees are by far the most important concern, at least as things currently stand. During its initial phase, this group will address the topic of overall Lafayette pipeline safety knowing that the CPSI/trees discussion is one element. In addition, this group commits to quickly send a clear message to Lafayette residents about the current status of CPSI in Lafayette and our plans for addressing it.

- d. SLT suggested PG&E take a locally-focused IM approach to the community's pipeline system. PG&E is open to sharing additional information about Lafayette pipeline safety risks and mitigation plans. This conversation should occur in the context of the total pipeline system risks/priorities/mitigation.
 - e. PG&E is also open to considering suggested risk mitigation enhancements that might be identified by this group. A customized mitigation plan for Lafayette will not disregard the needs and mitigation standards of PG&E's aggregate pipeline system.
 - f. Lafayette is open to learning about and potentially promoting adoption of PG&E's Gold Shovel program as one way to reduce dig-in incidents.
 - g. Re this group's decisions related to PG&E operations/policy/IM programs, we will respect PG&E's responsibility and authority to make the final call on any of these matters; any decision by this group in such an area would at most be a recommendation to PG&E.
 - h. In the above and other areas, the group's preferred decision-making mode will be consensus. If consensus appears to be impractical on certain topics, the group will at that point choose how to deal with it.
 - i. The scope of the group's education and exploration will include:
 - Lafayette's transmission and distribution pipelines
 - The nine classic pipeline risk factors/elements
 - Emergency response to pipeline incidents (speed of response/traffic issues/etc.)
 - CPUC's pipeline audit framework (damage prevention/IM/operator qualification/etc.)
3. PG&E's initial estimate of more than 1000 Lafayette trees needing to be removed evolved to 675 to 272, to PG&E's current conclusion that 207 trees pose unacceptable pipeline risk. This came about after at least two tree-by-tree analyses (see details in PG&E's Nov 13 meeting handouts). Of the 207 trees, 113 of them are on public property.
 4. PG&E is open to answering questions about their tree-by-tree analysis.

Agreed Upon Next Steps

1. Joe will email to participants the CPSI slides + spreadsheet handout that was presented at the Nov 13 mtg.
2. PG&E will indicate for each of the 207 trees on the spreadsheet which risk factor(s) predominated in concluding that the tree represents unacceptable risk. In addition, PG&E will provide an explanation of the risk parameters considered in their tree analysis, their relative importance, and the evidence supporting their tree risk model. This information will then be posted by the City for public viewing, as well to collect and respond to resident questions about this information.
3. PG&E will provide confirmation whether the most recent tree assessment (which reduced the number from 272 to 207 trees) looked at only trees on Lafayette-Moraga Trail, or if it also included the other areas in Lafayette (e.g., Lafayette Reservoir Rim Trail, city property, and private property).
4. PG&E will provide additional details about all current pipeline projects underway in Lafayette. This includes work underway at the site of the four-foot exposed pipeline, e.g., is any direct assessment or other risk assessment activity going on there?
5. Our next meeting:
 - a. Will be in January—need to check schedules and set the date (Greg Wolff)
 - b. Hire an independent (third party) facilitator to guide the group process

- c. More detailed planning for January should occur once the facilitator is identified
 - d. Next meeting should be framework-setting, including:
 - PG&E’s overarching approach to pipeline safety/IM—how PG&E thinks about this
 - How that fits into PG&E’s approach for enterprise risk management
 - How PG&E goes about quantifying safety risks
 - e. Consider drilling down to Lafayette-specific pipeline condition/risks/mitigation plans (if not feasible for January, identify when we would get to this)
 - f. Allocate some meeting time to review and upgrade draft charter for this group (SLT will email a first draft soon to the group for comment prior to January)
6. Separate from the charter for today’s group, a charter is needed for the city-sponsored task force (discussed on [page 7](#) below) so that this concept can be considered by the City Council. SLT will work with others in the city, including Council Member Anderson, to draft a proposed task force charter.
 7. A future Lafayette City Council meeting will be scheduled with PG&E to review with residents the detailed PG&E tree analysis. Timing of this will be dependent on the outcome of additional discussion (within the Nov 13 group) about overall Lafayette pipeline safety priorities. Prior to or shortly after the City Council meeting addressing the tree risk analysis, any unacceptable risk trees will be physically tagged in a way that makes them easy for residents to identify. Resident communication on this topic, including especially tree tagging, must be carefully planned to avoid misunderstanding and unfounded alarm. The city will collaborate with the city task force on the public messaging and timing for marking of the trees, followed by PG&E notification of the plan. PG&E will then mark the designated trees, except for those in residents’ private back yards.

Additional Views/Perceptions/Information Expressed by One or More Attendee(s)

1. There appear to be multiple pipeline safety risks in Lafayette that are significantly greater than trees.
2. We need to quantify and prioritize all of the pipeline safety risks (including trees but not limited to them). We may find that trees are a small part of the overall risk.
3. One goal for this group is to become a model of community/operator/regulator communication and collaboration in pursuit of pipeline safety excellence. Hopefully it would be a model that would be replicated in other communities.
4. Re trees specifically:
 - a. Originally PG&E said there were 1200 Lafayette trees that must be removed; following debate with the City the number dropped to 675; following that the number dropped to 272; now it is 207. This has created a credibility problem between residents and the City Council, who had taken the position, “PG&E is the expert. They know.” Restoring credibility of PG&E and the City Council on this topic is important.
 - b. There are potential risks associated with the removal of trees from a pipeline ROW that do not appear to have been addressed yet in PG&E’s overall analysis.
 - c. During a recent gas pipeline safety conference in New Orleans also attended by PG&E, SLT asked multiple other U.S. pipeline operators how they deal with trees in ROWs. Their answer was (1) they clear the ROW of trees when installing a new pipeline; (2) they do have trees in existing pipeline ROWs, and they find ways other than tree removal to ensure that the pipeline is safe.

- d. The designation on the PG&E spreadsheet (Risk Rating column) showing “unacceptable risk” for all trees listed is very troubling and should be rethought. Either remove this column or replace it with a Risk Score that can be easily derived from the risk factors in the other columns. Transparency in the risk assessment for each tree, including how specific attributes combine to lead to the conclusion that a given tree represents unacceptable risk, is essential to restore credibility.
 - e. Consider labeling the tree list (spreadsheet) “Study Trees,” rather than characterize them all as unacceptable risk.
 - f. If PG&E has made the decision that the 207 trees are all unacceptable risk, then it is their duty to back that up by explaining why they are calling each of these trees unacceptable risk. What are PG&E’s acceptable risk criteria? What direct evidence does PG&E have that these 207 trees are a safety threat? This is a conversation that must precede going out and physically marking the trees on the trail.
 - g. The burden is on PG&E to meet the preponderance of the evidence standard for each of the trees that it maintains represents an unacceptable risk. Trees where this evidence standard has not been met should not be removed. So far, all that’s been provided is a lot of raw data about the trees. (Resident perspective)
 - h. One of the objectives of this collaborative group should be to establish an agreed protocol for establishing the provable pipeline risk from a tree, to be applied on a tree-by-tree basis
 - i. In the past, when there’s been conversation about CPSI and gas safety overall, the group tends to lose focus and the waters get muddied. Therefore, it would be preferable to address these two topics in separate meetings.
5. The impression of CPUC reps present at the Nov 13 meeting is that PG&E did not present its CPSI plan to CPUC for approval. CPUC does review and evaluate the effectiveness of pipeline operator integrity management plans as part of its audits. IM plans involve multiple threats. CPUC expects the operator to maintain a safe and reliable system.
 6. During recent attendance at CPUC rate hearings, residents have seen how earlier-slated safety improvement projects for Lafayette, previously planned for 2018, can be bumped to 2026 because of budget constraints and competing (non-Lafayette) projects. This is alarming to witness, and it should be made part of the scope of this group to address at some point.
 7. Since San Bruno, CPUC has:
 - a. Established PUC 958 that requires all Calif transmission pipelines to be either pressure tested or replaced
 - b. Reorganized and expanded the audit teams, with a separate group focused specifically on gas compliance audits (staff increased 3X)
 - c. Worked closely with PHMSA to upgrade our procedures and software
 - d. Levied significantly more enforcement actions
 - e. Spent much more time in the field working directly with PG&E
 - f. PHMSA safety evaluation score of CPUC has improved three years in a row
 8. In today’s meeting PG&E is hearing far different ways of building trust from the non-PG&E participants, and there appear to be disagreements among these folks on how to go about it
 9. With regard to dig-ins, there are ways that the folks in Lafayette can help reduce this problem, and there are ways that we can help PG&E. This is a fruitful area for discussion at a future meeting of this group.

10. To be successful, this group needs to continue to share information (Sept 10 written Q&As were a good start) and engage in dialog and joint problem solving. That is a good way to build trust.
11. The trees are a subset of the overall risk situation. To develop trust we need to do two things: (1) understand the overall risk analysis framework being used, including how risk for each hazard is analyzed and expressed (either quantitatively or qualitatively); (2) where do the trees fit into this, including the risk metric for individual trees relative to the other pipeline safety risks. It appears that PG&E has already done much of this analysis.
12. As a community, we want to be actively involved in understanding the pipeline safety risks and the management of those risks—as symbolized by the three-legged stool discussed at PST in New Orleans: PG&E/Community/CPUC
13. Application of IM principles and methods could be a framework that would help this group—to develop common understanding of the pipeline risks, to prioritize those risks, and to become satisfied (as a group) that effective mitigation plans have been implemented to address those risks in Lafayette.
14. The above might help, but it is a very “in the weeds” approach, and it wouldn’t be feasible to take a significant number of Lafayette residents through such an exercise. It might be workable as an approach, but in that case the group size should probably be limited to ten people max.
15. It’s very understandable that the folks living in Lafayette want to focus on an analysis of safety risks and mitigation plans specific to Lafayette’s pipeline segments. However, it’s important to recognize that prioritization and mitigation planning across PG&E’s entire network is what some of us focus on every single day. It will be essential that we include that larger context as part of any discussion that looks at Lafayette’s situation. It wouldn’t be helpful to just look at Lafayette in isolation.
16. When it comes to how the group assembled here will operate in the future, should the standard be “achieve an understanding,” or “achieve a consensus”? Consensus may not be realistic. However, there is an obligation on PG&E’s part to be transparent, to answer the community’s questions, and to share with you our approach. We can and should have dialog on that.
17. A major topic at the PST conference addressed pipeline operators “telling” the public versus more effective ways of engaging with the public. I wonder if there is something in addition to better communication, or even collaboration . . . is there a third element that we need to head toward? For example, we’ve been told that the exposed pipeline on our trail was first reported to PG&E by residents 40 years ago, and multiple times since then. Right now, replacement of that section is underway. The city didn’t ask for that. It was the residents and SLT that brought it up. So this is an example of an improvement that falls into a category different from more effective PG&E communication to the community. Hopefully there will be other safety improvement opportunities that we can identify and work on together. The best example of this is probably reducing dig-in incidents.
18. Individual comments/insights/learnings from the Sept 10 meeting included:
 - a. Difficult to obtain pipeline information from PG&E; some info provided for Sept 10 conflicted with earlier info provided
 - b. Some residents attending the meeting didn’t realize that the trees, at least in the eyes of PG&E, were really dangerous to the pipeline
 - c. Trees identified for removal are a big deal to the community
 - d. It was clear from the commentary that there were a lot of other risks that PG&E wasn’t talking about (not saying PG&E wasn’t managing these risks)
 - e. The meeting heightened concern about how PG&E is managing their company for safety risks

- f. It appears that some in the community want to get more involved in Lafayette pipeline safety management (unclear how that would be achieved)
 - g. Work is needed to rebuild trust
 - h. PG&E spent considerable resources developing written answers to 150 Qs submitted prior to the Sept 10. Based on the comments offered from the community on Sept 10 it appeared that residents didn't read PG&E's answers to those questions. For example, a lot of the Sept 10 comments were not aligned with the information contained in the 150 Q&As.
 - i. Multiple Lafayette residents did read PG&E's answers prior to the Sept 10 meeting; some read them again prior to the Nov 13 meeting
 - j. One area that came up multiple times on Sept 10 was automated shut-off valves. PG&E has an opinion about when and where these valves are needed; CPUC has a perspective; but the community does not appear to be aligned with PG&E and CPUC on this. This is an example of a subject where we should probably just agree to disagree. There are other subjects that fall into this category. We need to avoid just talking about the same things over and over again. It would help in general if we were to clarify expectations going forward about how to handle this sort of thing, including writing down the resolution so we can move forward.
 - k. If an issue is identified as very important to building trust and/or improving pipeline safety (e.g., auto shut-off valves), an alternative to "agreeing to disagree" is to work the issue until this group arrives at a consensus recommendation to be presented to PG&E management. A recommendation is as far as this group should take it when it comes to operational matters. But investing in a quality dialog and working to a consensus recommendation, even if it necessitates significant compromises, would build much greater understanding and trust in the community than taking the shortcut.
 - l. Some of us from PG&E have met with folks from the Lafayette community 4-5 times. Because we started with CPSI, I think that we have lost the big picture of what governs how we approach the work that we do at PG&E—not just IM work, but more broadly how we think about integrity management and pipeline safety in general. My takeaway from Sept 10 was: This is a communication issue. Fundamentally what's missing is effective communication, and that has led to the lack of trust. We started with trees, but we didn't paint the big picture first. As we think about building trust, we need to start with a clean slate: here's how we think about this; here are the things we have in place; here's how we determine how we implement those programs. This would take our communications to a fundamentally different level.
19. Expectations established on Sept 10 for the work of the group assembled on Nov 13 (individual perceptions of this):
- a. Sept 10 represented the start of a collaborative dialog among the stakeholders, leading to increased trust and improved pipeline safety
 - b. The expectation was that this group would roll up its sleeves and meet as needed, in an open forum, to find ways to increase trust and make our pipeline more safe
 - c. The scope of this group would not be limited to one program, but instead would be comprehensive. For example, the data we have seen from PG&E suggest that dig-ins should be a particular area of focus; I'm sure there will be others as our dialog proceeds
 - d. The expectation was that this group would need to meet multiple times to achieve the intended outcomes: increased trust and pipeline safety

20. Re the four-foot exposed pipeline section near the Lafayette-Moraga trail, PG&E has a plan to correct this very soon. They will provide additional details in response to the questions asked during this meeting
21. Given the desire to keep this group fairly small, it's unclear how resident perspective will be collected and conveyed to this group, other than via city staff and SLT. In the past there was discussion of the possible creation of a citizens' advisory committee. Creating such a committee, which wouldn't meet directly with PG&E but would meet with city staff and perhaps a council member, appears to be an attractive way to collect citizen input and facilitate effective two-way communication with the PG&E/city staff/SLT/CPUC group.
22. One way to handle the representation and liaison function just described would be to create a **city-sponsored task force**, and provide some membership overlap between the task force and the group meeting here today. The overlap members could represent the city's interests, as clarified via the task force, in future meetings of today's group. The task force would be expected to regularly report at City Council meetings, including learnings from the work of today's group. It would provide this group appropriate stature and symbolize the city's endorsement of the process. Importantly, the task force would increase the general public's confidence in how the matter is being handled, what conclusions are being reached, and who the public can talk to if they want to provide input or ask for more information. The task force could also facilitate Council understanding and decision-making regarding certain safety improvement recommendations that may surface, e.g., a recommendation that Lafayette participate in PG&E's Gold Shovel program.
23. There are some complicating issues affecting most of the parties in this group that need to at least be recognized: (1) SLT is in an adversarial relationship with the City of Lafayette on the CEQA issue; (2) The City has signed a contract and accepted money from PG&E in anticipation of tree removal; (3) SLT has a lawsuit asking the court to set aside that agreement. It would be great if this group is able to reach agreement on everything that's been discussed today. But we need to be aware that there's a current conflict that may have to be resolved.
24. There also needs to be a reality check on how much time PG&E can make available for the work of this group. We manage over 70,000 miles of gas pipeline (GT + GD). It's an enormous responsibility, and Lafayette's portion of that total pipeline mileage is a quite small percentage.
25. The frequency of future meetings is a matter that needs more discussion.
26. From PUC's perspective, we are committed to have somebody from our organization present for future meetings of this group. Appropriate delegation to qualified experts (e.g., on IM) is one way to help address the time demands.

Meeting Evaluation

- Excellent dialog
- We found significant points of agreement. The best meeting we have had involving PG&E/City/SLT.
- The question that was asked about the activity underway at the site of the exposed pipeline should have been put on the published agenda. That way, PG&E would have come with a detailed answer.
- CPUC thought today was going to be a larger meeting with Lafayette community, similar to the Sept 10 meeting. It would have helped to be clearer prior to today's meeting on what we would be discussing.
- I expected a lot more people to be at today's meeting. As we move forward, if we have a large crowd it's not clear how we would manage that and keep it productive.

- In the future we need to do more communication before the meeting to reduce these kinds of issues. SLT offered to coordinate with PG&E directly prior to next meeting to confirm.

[end of meeting notes; Nov 13 meeting plan is shown on next page]

11/13/18 Meeting Plan
(2-4 p.m.)
(as adopted at the meeting)

Meeting Context

This meeting is in follow-up to commitments made by stakeholder representatives at the Sept 10 Lafayette City Council meeting on pipeline safety

Meeting Purpose

To lay the foundation for a 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. Clarification of what was learned from Sept 10 Lafayette community meeting
2. Identification of participant expectations for the work of this group
3. Conceptual agreement/alignment on this group's purpose
4. Initial thoughts about strategy to achieve that purpose
5. Next steps/path forward

Meeting Steps

1. Introductions – all meeting participants
2. Review/refine meeting plan
3. CPSI Update
4. Learnings from Sept 10? Expectations for follow-up that came out of Sept 10?
5. Expectations for the work of this group [round robin; essentials + desired]
6. Purpose of our group (discussion)
7. Initial thinking about methods and activities we should consider to achieve our purpose
8. Next steps
9. Meeting evaluation

Suggested Prework:

- (1) Any 11/13 meeting participants who were not present for the Sept 10 community meeting are asked to watch the video of this meeting: <https://youtu.be/fm8DU8uD2mw>
- (2) All meeting participants are asked to reflect on and come to 11/13 ready to respond to the Q “What was learned from the Sept 10 meeting (including preparation for the meeting), and what was understood as the path forward from the Sept 10 meeting?”