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Rebuilding Trust in Lafayette Pipeline Safety

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To: Sumeet Singh <S1St@pge.com>, Jesus Soto <J81K@pge.com>

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Dear Mr. Soto and Mr. Singh,

At the annual PG&E shareholders meeting on Tuesday, we had the opportunity to address CEO Geisha Williams as well as talk with both of you about our safety concerns in Lafayette. Thank you both for taking the time to speak with my husband and me in more detail. As we discussed, residents have lost trust in the integrity of the transmission pipelines running through our city and do not feel safe. Our concerns mirror factors that contributed to the severity of the San Bruno gas pipeline incident in 2010 so it is important for us to regain trust in PG&E. To that end, we are asking you to consider working with our community on a fresh start in creating a more comprehensive community pipeline safety plan that would prioritize established safety-related measures ahead of discretionary, unproven programs.

Mr. Soto, when we met, you acknowledged that you were aware of the lawsuit residents are pursuing against the City of Lafayette and PG&E. The lawsuit asks city leadership to rescind Lafayette's CPSI agreement since important reviews, including CEQA, were not made before the agreement was signed. Legal action was a last resort to ensure irreversible tree removal was a measure taken, only if necessary, after a well-considered review of alternative pipeline safety risk reduction measures.

What seemed to have surprised you both was our mention of the exposed segment of transmission pipeline situated off a popular pedestrian trail in a residential neighborhood. This unprotected segment was reported to PG&E by nearby residents almost 10 years ago but we can't get answers as to when PG&E might have identified the safety lapse. This should have been recorded by PG&E during regular patrols years ago. PG&E recently scheduled the matter for address later this year but we believe this project was expedited more due to public complaint than prudent measures planned by PG&E.

Other concerns include the lack of integrity testing on vintage pipelines, shallowly buried pipelines, unknown and untested seam welds, lack of historic patrol records, lack of automated shut off valves, lack of verification of completed cathodic protection tests, no direct assessment on two pipelines, etc. Many of these are much too similar to factors that contributed to the significant loss of life and property in San Bruno eight years ago. Little wonder why residents would be negatively inclined to accept an opaque tree removal program as the most pressing, applicable pipeline integrity remedy in our town.

It is also discouraging to note that the first program to be implemented in Lafayette since safety concerns were raised a year ago, is a pipeline replacement acknowledged by PG&E project crew as primarily a capacity increase project to serve neighboring Moraga. Even in this case it seems a good opportunity to enhance Moraga community pipeline safety was lost since PG&E is installing the new pipeline with a less expensive manual shut off valve, not an automated valve.

On top of these concerns, the nature of PG&E's oft stated defense of the \$500 million CPSI program, most recently by Mr. Soto in conversation, is that the company, for decades, did not pay enough attention to clearance of the pipeline right of way is quite disturbing. We can only infer that PG&E may also not have paid enough attention to more important regulatory compliance measures relative to the pipeline that lies within the

ROW. Moreover, we are aware that PG&E pipeline ROW clearance is not implemented per federal or state regulation, but per recommended, not required, industry standard.

Most troubling are statements in an early iteration of the Dynamic Risk Assessment Tree Root Interference report that the CPSI may have been based on. The 2013 report states that decomposing tree roots have a recognized potential to *increase* the susceptibility to cracking the outside pipe surface. PG&E may have already removed tens of thousands of trees across its pipeline infrastructure, leaving roots to decay in place, and may have made pipeline *more vulnerable* to external corrosion.

During our conversation, we stated that PG&E has a good chance to turn this fraught situation around. At the recent PG&E Open House in Lafayette, my husband and I expressed to PG&E spokespeople Marvin Nushwat and Joe Echols that an ideal approach to rebuilding community trust would be to start from scratch. We asked them to take back to management the idea of revoking the current CPSI agreement so PG&E, city leadership, and residents can work together to create a more effective community pipeline safety plan, assuring residents that PG&E is implementing optimal safety measures. PG&E often says we need to work together, and this is a prime opportunity to make it happen.

Since we touched on the matter the other day at the shareholders meeting, in follow up we ask you directly, as Vice Presidents in charge of PG&E Gas Operations and Risk Management, if this idea, of starting fresh on a Lafayette pipeline safety plan, would be one you will consider and help come to bear.

This seems a reasonable path to rebuilding community trust in pipeline integrity and PG&E pipeline maintenance operations. Keeping the existing CPSI agreement in place while the community is concerned with significant pipeline safety lapses demonstrates a flawed prioritization of safety measures and an abuse of the public trust.

At the shareholder meeting, Ms. Williams spoke of how safety is core to PG&E values and operations. Residents want to trust that core commitment. We respectfully ask that you start at the local level to plan and implement safety measures that will increase resident confidence in community safety and pipeline integrity. We greatly appreciate your consideration and look forward to hearing from you. Thank you.

Sincerely,

Gina and Michael Dawson