



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

FILED

2-26-16
04:59 PM

Order Instituting Investigation And Order to Show Cause on the Commission's Own Motion into the Operations and Practices of Pacific Gas and Electric Company with Respect to Facilities Records for its Natural Gas Distribution System Pipelines.

Investigation 14-11-008
(Filed November 20, 2014)

CITY OF CARMEL-BY-THE-SEA OPENING BRIEF

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February 26, 2016

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I. INTRODUCTION AND SUMMARY

Pursuant to Rule 13.11 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure (Rules) and Administrative Law Judge (ALJ) Maribeth Bushey's bench order,¹ the City of Carmel-by-the-Sea (Carmel) respectfully submits this opening brief subsequent the January 19-21, 2016 evidentiary hearings.

This Commission has made it abundantly clear and an article of faith, if you don't know what is in the ground, you cannot operate a safe and reliable gas utility. How many times does the corporate mule need to be hit over the head with a 2x4 to get its attention. Yet here we are again. The facts are clear and the law is clear. Pacific Gas and Electric Company's (PG&E) has violated Public Utilities Code section 451 and its duty to the public and to this Commission, yet it continues to deny and dissemble that its records system is adequate. These proceedings are replete with recordkeeping deficiencies grave enough to threaten lives and health of the public. The Commission should not tolerate such corporate immorality Carmel is an intervenor in these proceedings not because it wants to be here, not because it has anything to gain in punishing such transgressions, but for the safety of its community. Carmel was the party who originally

¹ Transcript at 590:14-25.

requested this OII and participates because PG&E blew up a home, threatened the public health and safety of its residents and continues to cause concern and angst in its community.

PG&E insists that it did not break the law, despite the mountain of evidence to the contrary. The utility's denials show that PG&E prefers to waste the limited resources of this Commission, the Safety and Enforcement Division (SED), and the intervenors instead of facing responsibility for its actions. Some of its denials are Rule 1.1 violations and misstatements to this Commission.

The Commission should not tolerate PG&E's lack of contrition and cooperation with SED and the Commission in resolving this proceeding for its distribution system recordkeeping violations. This is a simple case that should have been resolved through the parties acknowledgement that the law had been broken and cooperation on how to best proceed to prevent further incidents. The Commission should punish PG&E for its violations of state and federal law and order the fines and remedies proposed by SED and Carmel. The Commission should also punish PG&E for its efforts to intentionally mislead the Commission and waste its resources in dragging out a proceeding through its pro forma denial of liability.

Carmel believes PG&E should be fined a maximum of \$136.63 million for its recordkeeping malfeasance with respect to the Carmel home explosion. The statutory fine for all gas leaks in this OII could reach a maximum of \$651.77 against PG&E, which Carmel supports. Carmel also asks that the Commission adopt the additional penalties address below as a further means for deterrence against future pipeline explosions.

II. THE UNDISPUTED FACTS

This is an investigation into PG&E's recordkeeping practices in its distribution system, which caused six gas leak incidents within its territory.² PG&E admits in its responses to this OII and to SED's PWA Report that it does not dispute the facts as presented.³ Put another way

² Order Instituting Investigation and Order to Show Cause (OII) at 1.

³ PG&E Initial Report to Respond to OII at 5; PG&E Reply Testimony at 1-4 (Ex. 4). PG&E does note that their

by PG&E: “The facts are the facts.”⁴ For purposes of its involvement, Carmel focuses on the undisputed, relevant facts as they relate to the explosion in Carmel. They are as follows:

A. Mountain View Incident as a Precursor, Red Flag for Carmel

- Seven months prior to Carmel, a gas leak occurred to a PG&E distribution line on July 30, 2013 on Charleston Road in a highly populated area of Mountain View, which generated media attention. PG&E welded into a 1 ¼-inch steel main installed in 1947. Unknown to the welders, the steel line contained an internal 1-inch plastic pipe installed sometime between 1970 and the mid-1980s.⁵

- PG&E had no service records, no as-builts, and no construction records for the plastic insert. The map provided to PG&E’s welding crew erroneously showed no plastic insert, but only the steel service line.⁶

- PG&E’s welding on the steel service line caused the internal plastic to melt, causing the release of gas. PG&E welders learned of the leak five hours later when the fire department alerted them of pavement damage and gas odor down the road where news media were on site.⁷

- The gas leak caused the pavement to rise, totaling in over \$10,000 in property damage.⁸

- PG&E conducted an Internal Gas Incident Review of the Mountain View gas leak.

PG&E determined: “[t]here needs to be new work procedures for installation and testing methods to determine and verify in the field if a gas service or main was inserted.”⁹

- PG&E admits it failed to follow through with its own recommendation to initiate new

factual stipulation has some “minor exceptions” but none of those minor points relate to the Carmel or Mountain View incidents discussed below.

⁴ Transcript at 281:27-282:8.

⁵ OII at 5-6, SED Mountain View Incident Investigation Report G2-13-730-01 (MV Report) at 16-18 (the page numbers used for the Mountain View and Carmel Reports are those used for the attachment to the OII).

⁶ Mountain View Report at 15-16.

⁷ *Id.*

⁸ *Id.*

⁹ Attachment W048.001 attached to the prepared testimony of John Higgins (Ex. 6).

work procedures for testing unknown plastic inserts and failed to “fully appreciate[] the import of the incident at the time.”¹⁰

- PG&E’s internal review of the incident also disclosed that it was missing 12 years of service records from its De Anza yard from 1979-1991. This covers a service area of the South Bay and peninsula area.¹¹

- PG&E’s employees (mappers, construction crews, etc.) had known about the missing De Anza records for years, but PG&E admittedly did nothing to alert the Commission or those in the field of the risk associated with those missing records, including unmapped plastic inserts.¹²

- The missing service records undoubtedly reference the use of plastic inserts. Used for decades to the present day, Plastic inserts are a common and economical way to service a gas line. PG&E’s distribution system possesses miles upon miles of plastic inserts in its main and service lines.¹³

- PG&E’s internal Mountain View report was not widely circulated. In fact, PG&E’s Vice President of Gas Transmission and Distribution Operations and Vice President of Gas Asset and Risk Management both testified they had no knowledge of the Mountain View incident, nor its internal investigation’s conclusions and recommendations, until after the Carmel explosion.¹⁴

- PG&E did not perform a stand down or issue an advisory after the Mountain View incident, even after it discovered it was missing 12 years of records from its De Anza facility.¹⁵

- Even though the Mountain View incident and the 12 years of missing service records were ignored by management, on paper, PG&E’s “Risk Register” program identified that gaps in its distribution records as a “risk driver” in the company that should be evaluated and mitigation

¹⁰ PG&E Reply Testimony at 3-26 through 3-28 (Ex. 4); Transcript at 314:2-6.

¹¹ Attachment W049.001 attached to the prepared testimony of John Higgins (Ex. 6).

¹² *Id.*

¹³ PG&E Reply testimony at 1-13 through 1-14 (Ex. 4); Transcript at 213:22-77, 298:17-300:3.

¹⁴ Transcript at 314:20-26, 488:11-27.

¹⁵ PG&E Reply testimony at 3-4 through 3-5 (Ex. 4); Transcript at 312:16-20.

efforts, with the assistance of experts, be implemented. PG&E did not do so.¹⁶

- PG&E rationalizes its inaction post-Mountain View because the incident did not cause “actual” injury to people or property. It admits it only changed its standard to “potential for injury” until after the Carmel explosion.¹⁷

- PG&E admits that it “could have done more” in response to the Mountain View incident and “should have” reacted sooner to threats and risk associated with the incident. The company admits that had they properly anticipated other events regarding unmapped plastic inserts, “we could have acted sooner” and possibly avoided the explosion in Carmel¹⁸

- PG&E admits in writing it violated federal law in Mountain View with respect to its inaccurate maps and records.¹⁹

B. Carmel Explosion

- On March 3, 2014, PG&E’s welding crew tapped into a 2-inch steel main on 3rd Avenue near Guadalupe Street in Carmel, which contained an unknown plastic pipe. The welding on the steel pipe caused gas to leak from the internal plastic pipe. Gas migrated into a nearby home, most likely through the soil and into the home’s sewer line. The gas accumulated in the home and eventually met with some type of fire source, possibly a pilot light, and caused the entire home to explode, resulting in over \$302,000 in direct structural damage.²⁰

- Similar to the Mountain View gas leak, PG&E possessed no service records, no as-builts, and no construction records for the plastic insert installed sometime in 1997 or 1998.²¹

- The only document PG&E had regarding the subject gas main was a Plat map provided

¹⁶ PG&E Reply testimony at 2-4 (Ex. 4); Transcript at 502:26-503:12.

¹⁷ Transcript at 320:8-18; PG&E Reply testimony at 3-28 (Ex. 4).

¹⁸ *Id.* at 317:19-318:9, 545:11-21.

¹⁹ April 4, 2014 letter from PG&E’s Sumeet Singh to SED’s Michael Robert (Ex. 36).

²⁰ SED’s Incident Investigation Report No G20140303 (Carmel Report) at 19-23.

²¹ *Id.*; Mountain View Report at 16-17.

to its welders. That map was incorrect.²²

- Despite the Mountain View incident, PG&E had no procedures in place to address the potential for unmapped plastic inserts in the field. It was only after the house explosion that PG&E changed its pre-weld checklist to identify potential unmapped plastic insert risks.²³

- PG&E's welding crew knew of the gas leak for over 30 minutes prior the explosion. During that time, the crew made phone calls, left voicemails, and waited for other crews with different qualifications and the proper equipment to arrive.²⁴

- PG&E's crew never called 911 until after the explosion.²⁵

- Carmel police and firefighters were not afforded the opportunity to evacuate the area prior to the explosion. No one was evacuated, even though there were neighbors present in nearby homes.²⁶

- PG&E admits there are "similarities" in the Mountain View and Carmel gas leaks. Specifically, the incorrect maps failing to identify the plastic inserts contributed to both gas leaks.²⁷

- PG&E admits a "multi-layered failure" occurred in Carmel. Its Chief Regulator Strategist for Gas Operations explained that: "a lot of things didn't go right, ... a lot of things that could have helped avoid that."²⁸

- It was a miracle no one was injured; the home was unoccupied. A work crew was supposed to be in that very home when it exploded, but traffic had slowed them down. PG&E's own workers were fortunately positioned: shielded from the blast by their trucks, which may have saved their lives. Many neighbors remained in the area during the leak and explosion; and

²² Carmel Report at 24.

²³ PG&E Reply testimony at 3-4 through 3-5; Transcript at 305:26-306:1, 531:9-13, 532:12-21.

²⁴ *Id.* at 23, Appendix 3.

²⁵ *Id.*

²⁶ Prepared testimony of Carmel Mayor Jason Burnett ("Burnett testimony") at 3:11-15 (Ex. 44).

²⁷ Transcript at 450:7-17.

²⁸ *Id.* at 249:10-19.

could feel and hear the jolt of the blast. Shrapnel was hurled into neighboring houses and windows were blown in by shock waves.²⁹

- The explosion caused a terrifying threat to life and limb in the Carmel community.³⁰

- The explosion has harmed Carmel and caused a sense of anxiety for the Carmel community regarding the safety of what is underground. This includes residents having difficulty sleeping after the Carmel explosion.³¹

- Carmel's local representatives have had to spend time and efforts to address community concerns regarding the explosion. PG&E's response to Carmel's concerns has been less than forthcoming.³²

- Carmel has had other instances of gas leaks and delay in PG&E response incidents within its small community. This includes an instance of another incorrect map used by PG&E crews who failed to connect a resident to a distribution main. These instances have further frustrated the community of Carmel and aggravated its fears that PG&E does not know what is underground.³³

C. PG&E's Known Distribution System Recordkeeping Deficiencies

- In the backdrop of Mountain View and Carmel incidents, PG&E was being investigated by the Commission for its dismal recordkeeping of its gas transmission lines, which in part caused the tragic explosion and death of eight people in San Bruno.³⁴

- PG&E commissioned its own independent reports regarding its recordkeeping practices. It had known as early as 1984, if not earlier, of its recordkeeping deficiencies, including lost or

²⁹ Burnett testimony at 3:11-15 (Ex. 44) at 3:5-17.

³⁰ *Id.* at 3:18-21.

³¹ *Id.* at 5:10-14; 6:2-5.

³² *Id.* at 5:15-20; 6:18-7:3.

³³ Prepared testimony of Police Chief Michael Calhoun ("Calhoun testimony") at 2:3-4:25 (Ex. 43).

³⁴ See generally, I.11-02-016.

destroyed records, despite its legal obligation to retain them.³⁵

- PG&E was well aware of the Duller & North Report commissioned in the San Bruno recordkeeping proceeding, which also evaluated the National Transportation Safety Board's (NTSB) Accident Report regarding the San Bruno disaster, adopted August 30, 2011. The Duller & North Report identified recordkeeping problems in both PG&E's transmission and distribution systems³⁶

III. THE VIOLATIONS

PG&E's insistence that it broke no law is irrational, given the plethora of undisputed facts to the contrary.³⁷ PG&E's position reminds us of the school yard bully who beats up everyone but then denies culpabilities when confronted by the principal. Carmel supports and agrees with SED's conclusions identified in the PWA Report with respect to the stated violations.³⁸ Carmel's comments here focus solely on the violations that occurred in Carmel.

A. PG&E Violated Federal Law

PG&E is required to "prepare and follow for each pipeline, a manual of written procedure for conducting maintenance and operating operations and maintenance activities."³⁹ As part of this requirement in its maintenance activities, PG&E must repair its pipelines by "making construction records, maps, and operating history available to appropriate operating personnel."⁴⁰ PG&E is further obligated to "maintain, modify as appropriate, and follow the plans, procedures, and programs it is required to establish" under the Pipeline Safety Act.⁴¹

PG&E did not have construction records, accurate maps, and the operating history for the

³⁵ D.15-04-021 at 276-277; see also 49 C.F.R. § 192.605(b)(3). See also PWA Report at 11 (Ex. 1).

³⁶ PWA Report at 9-11 (Ex. 1).

³⁷ See e.g., PG&E Reply testimony at 1-4.

³⁸ See e.g., PWA Report at 3-4 (Ex. 1).

³⁹ 49 CFR § 192.605(a)(emphasis added).

⁴⁰ 49 CFR § 192.605(b), subsections (1) and (3).

⁴¹ 49 CFR § 192.13(c) (emphasis added).

distribution main at 3rd Avenue and Guadalupe Street in Carmel.⁴² PG&E already admitted under oath that federal law requires the corporation to maintain its service records.⁴³ It failed to keep those records. That failure directly resulted in an explosion in Carmel.

PG&E also violated these federal regulations in its July 30, 2013 Mountain View gas leak. It did not follow its procedures to provide updated, correct maps to its welders. PG&E admitted this violation in its April 4, 2014 letter to SED from its PG&E's Vice President of Gas Assets and Risk Management, Sumeet Singh.⁴⁴ The letter states:

“In its letter, SED found PG&E in violation of Title 49 of the Code of Federal Regulations Part 192.605(b). PG&E agrees with this violation. We have taken corrective actions and are developing preventative actions to address and minimize reoccurrence of the issue.”⁴⁵

The same mistakes that violated federal law in Mountain View (missing records of the plastic insert, incorrect map) also occurred in Carmel.⁴⁶ The Commission can safely conclude that PG&E's admission shows it also violated federal law in Carmel because it involved the same mistake and the same federal regulation.

Mr. Singh tried to backtrack this admission. He explained his testimony, with the assistance of counsel, that he was not a lawyer, unversed, and could not understand the legal ramifications of his letter.⁴⁷ The Commission should not entertain testimony that contradicts a plain statement in writing. PG&E's Mr. Singh had one-month to deliberate, and confer with his “experts” prior to responding to a regulator's allegation of a violation of law.⁴⁸ SED's letter was sent three days after the Carmel explosion. SED was less interested in a minor gas leak seven months prior; its intent was to investigate what happened in Carmel by looking at prior incidents.

⁴² Carmel Report at 24; PG&E Response to OII at 5.

⁴³ Transcript at 241:1-14.

⁴⁴ April 4, 2014 letter from PG&E's Sumeet Singh to SED's Michael Robert (Ex. 36).

⁴⁵ *Id.*

⁴⁶ Transcript at 450:7-17; Mountain View Report; Carmel Report.

⁴⁷ *Id.* at 456:13-25.

⁴⁸ *Id.* at 460:12-23.

PG&E, its regulatory compliance team, and its experts certainly knew that any admission of violation to Mountain View was directly related to violations in Carmel.⁴⁹ This is why Mr. Singh's letter followed the admission with a long list of ameliorative actions PG&E initiated to prevent further incidents after the March 3, 2014 explosion. For PG&E to downplay its own written words by claiming it did not understand its significance is, as explained more fully below, artifice and deception.

B. PG&E Violated California Law

PG&E states under oath that it operated its distribution system safely when it blew up a home in Carmel.⁵⁰ This conclusion ignores the safety standards under California law. Public Utilities Code section 451⁵¹ states in part:

“Every public entity shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities...as are necessary to promote the safety, health, and comfort, and convenience of its patrons, employees, and the public.”

The Commission explained the meaning of Section 451 in its recent San Bruno proceedings against PG&E in regarding recordkeeping and fines and penalties:

“The text of Section 451 is unambiguous – it simply, clearly, and without qualification requires all public utilities to provide and maintain ‘adequate, efficient, just, and reasonable’ services and facilities as are necessary for the ‘safety, health, comfort, and convenience’ of its customers and the public.”⁵²

The Commission further held:

“Contrary to PG&E's argument, the safety obligation established by Section 451 is not a residual, variable byproduct of a particular rate level set by the Commission. To be clear, the public utilities are not permitted to adopt anything other than safe operations and practices, even if they believe that rates approved by the Commission are inadequate.”⁵³

The Commission rejected PG&E's “free floating” argument that the Commission applied

⁴⁹ *Id.* at 448:5-19, 460:12-23, 468:8-467:6.

⁵⁰ Transcript at 529:27-530:3.

⁵¹ All further statutory references are to the Public Utilities Code, unless otherwise stated.

⁵² D.15-04-023 at 26.

⁵³ *Id.* at 26-27.

Section 451 in an arbitrary or capricious matter:

“[SED]’s allegations [under Section 154] are based in assessing PG&E’s compliance with federal and state regulations, . . . industry standards, and PG&E’s own standard operating procedures. These requirements, as well as the need to act reasonably, are not vague and cannot be unknown to PG&E.”⁵⁴

The San Bruno decisions quoted above did not create new law, nor were they decided in a vacuum. The Commission has fined PG&E in past proceedings for Section 451 violations. The Commission based many of its prior decisions, citations, and penalties on a violation of Section 451.⁵⁵

PG&E did not maintain adequate, just, and reasonable service in Carmel on March 4, 2014. A house explosion with people in its direct vicinity is by its very nature unsafe. This explosion was entirely preventable; PG&E had several opportunities and red flags waived to mitigate the risk. This was not just bad luck. This was a multi-level failure where many things went wrong because of the decisions that PG&E made or failed to make. PG&E admits it had many chances to avoid the destruction outcome in Carmel.⁵⁶

The utility knew it had a recordkeeping problem. It knew plastic inserts were a common way to service older systems like the one in Carmel. PG&E knew it had a similar incident in Mountain View seven months prior with an unmapped plastic insert. PG&E’s internal report recommended that it put procedures in place to prevent further tapping of unmapped plastic inserts in the field. PG&E knew it was missing over 12 years of service records at the nearby De Anza facility. PG&E knew inserted plastic pipes would be part of those records.⁵⁷ It also acknowledges that computer entry of those missing records is not a suitable substitute for the

⁵⁴ D.15-04-021 at 60.

⁵⁵ See e.g., *Pacific Bell Wireless v. PUC* (2006) 140 Cal.App.4th 718, 741; *Parey v. Pacific Gas & Electric Company* (1999) D.99-04-029, 85 CPUC 2d 682, 689; D.11-11-001 at 47; D.13-09-029 at 16 [“[t]he edicts of Section 451 are a cornerstone of today’s decision.”]; Citation No. 13-003 Against PG&E dated November 5, 2013 [fining PG&E \$8,110,000 for, in part, Section 451 violations].

⁵⁶ Transcript at 249:7-19.

⁵⁷ PWA Report at 9-11 (Ex. 1); Mountain View Report at 16; Attachment W048.001 attached to the prepared testimony of John Higgins (Ex. 6); Attachment W049.001 attached to the prepared testimony of John Higgins (Ex. 6); PG&E Reply testimony at 1-13 through 1-14 (Ex. 4); Transcript at 213:22-77, 298:17-300:3.

missing records because data entry can be a source for human error.⁵⁸ PG&E should have had mitigating measures in place to address potential consequences due to its imperfect records and unmapped plastic inserts.

PG&E's Reply testimony and testimony at the evidentiary hearings never once explained why PG&E believes its system was safe in Carmel on March 3, 2014. Instead, PG&E's testimony detracts from the analysis by stressing the company can "move on and learn" from its mistakes.⁵⁹ Learning from one's mistakes is important; a reformed criminal is better than a criminal. The dozens of pages of testimony regarding the new and improved PG&E, while laudable, do not diminish the fact that PG&E violated the law when it failed to maintain its system in a safe manner in Carmel.

PG&E's federal regulation compliance expert, Richard Huriaux, concluded that PG&E violated no federal or state law.⁶⁰ Mr. Huriaux testified: "Although I am not providing a legal interpretation of this provision, these are goal statements and do not provide any objective standards against which compliance can be measured."⁶¹ PG&E knows this sentence is worthless. Section 451 is not a "goal statement;" it is a mandate that PG&E must operate its distribution systems safely.⁶² Mr. Huriaux admits that he did no research regarding the applicability of Section 451 and further admitted that PG&E's lawyers told him that his opinions were contrary to California law.⁶³

The undisputed facts show that PG&E possessed many warnings about the threats of such an event, but instead gave its welders the green light and sent them on what could have been a suicide mission with a faulty map in hand. PG&E's safe argument is not worth the paper it is

⁵⁸ Transcript at 476:13-477:9.

⁵⁹ *Id.* at 466:8-467:6.

⁶⁰ PG&E Reply testimony at 7-1 (Ex. 4).

⁶¹ *Id.* at 7-4.

⁶² D.15-04-023 at 26-27.

⁶³ Transcript at 587:2-588:17, PG&E Reply testimony, Exhibit 3 to Richard Huriaux testimony (Ex. 4).

printed on. Safe operating procedures do not blow up homes and wreak havoc in communities like Carmel.

C. PG&E's Conduct Fell Below the Standard of Care

Before the Carmel explosion, PG&E had the tapping technology, the ability to put in place new workplace procedures, and the constructive and actual knowledge of its faulty records and risk of unmapped plastic inserts. PG&E should have taken reasonable, prudent steps after Mountain View. Instead, the utility waited until a home exploded in Carmel to take proper action. The Commission holds PG&E to a higher standard.

PG&E's out-of-state experts botched their analyses of California law. This proceeding concerns violations of law due to faulty recordkeeping. Both experts admitted they were not recordkeeping experts and had never testified previously regarding recordkeeping issues.⁶⁴

PG&E's standard of care expert, Bruce Paskett, admitted that maintaining a safe distribution system is directly linked to knowing its maps, records, and what is underground.⁶⁵ Mr. Paskett further admitted that part of the standard of care is to "**know its infrastructure.**"⁶⁶ When cross examined about PG&E's lack of knowledge of its infrastructure in Mountain View and Carmel, Mr. Paskett backed away from the discussion, claiming he was not hired to "review and opine on those incidents."⁶⁷ If PG&E's expert was not asked to opine on the standard of care as it relates to the very incidents at issue in this proceeding, then the Commission should put no value in his opinions.

PG&E's own expert makes Carmel's case: PG&E should know its infrastructure, knowing its infrastructure is a necessary part of a safe system, and PG&E fell below the standard of care when it did not know its infrastructure in Carmel.⁶⁸ This is a Section 451 violation.

⁶⁴ Transcript at 352:27-353:7; 586:25-586:1.

⁶⁵ *Id.* at 360:2-9.

⁶⁶ PG&E Reply Testimony at 8-9 (Ex. 4)(emphasis in original).

⁶⁷ Transcript at 356:13-28.

⁶⁸ *Id.* at 360:2-9.

PG&E also fell below the standard of care its use of an unsafe measure of pipeline risk. PG&E explained that at the time of the Mountain View and Carmel incidents, it measured risk based on “actual injury or actual property damage.”⁶⁹ This standard failed PG&E and its customers because it overlooks incidents that identify the potential for similar risks in the future. It was only after a house exploded that PG&E realized its faulty standard and changed it to measure for both actual and potential risks.⁷⁰ PG&E should not have waited for such serious threat to life and limb to change its policies; they should have already been in place on March 3, 2014. Mountain View was a red flag and PG&E did nothing to change its practices in the field.

Additionally, PG&E did not abide by its own standards in response to high risk incidents because Mountain View did incur actual property damage. The gas leak continued for five hours in Mountain View and caused over \$10,000 property damaged by raising the street’s pavement at the site of the leak.⁷¹ Apparently PG&E figured property damage to local government-maintained roads is not considered actual property damage for management to take notice.

D. PG&E and its Attorneys Violated Rule 1.1 During These Proceedings

Rule 1.1 states in full:

“Any person who signs a pleading or brief, enters an appearance, offers testimony at a hearing, or transacts business with the Commission, by such act represents that he or she is authorized to do so and agrees to comply with the laws of this State; to maintain the respect due to the Commission, members of the Commission and its Administrative Law Judges; and never to mislead the Commission or its staff by an artifice or false statement of fact or law.”

PG&E, through the assistance of its attorneys, submitted sworn testimony to mislead this Commission through artifice. First, PG&E admitted in writing that it violated federal law in Mountain View.⁷² At the evidentiary hearings, PG&E tried to claim the letter does not say what it says (and thus cannot be applied to the similar Carmel incident). PG&E’s lawyer assisted in the artifice. First, Mr. Singh testified that he went over the admission letter with counsel to

⁶⁹ PG&E’s Reply Testimony at 3-28 (Ex. 4).

⁷⁰ *Id.*

⁷¹ Mountain View Report at 15-16.

⁷² April 4, 2014 letter from PG&E’s Sumeet Singh to SED’s Michael Robert (Ex. 36).

prepare for his testimony.⁷³ ALJ Bushey agreed that: “The witness has made legal conclusions on the record on a particular – in relation to a particular incident.”⁷⁴ However, PG&E’s counsel attempted to erase those conclusions from the record by testifying:

“Your Honor, if I may. I believe this was actually a topic on which Mr. Singh wished to clarify the language in this letter. . .I want the record to be clear that we have a clarity of understanding on the record about what the witness meant rather than making an assumption about what he meant in writing this letter.”⁷⁵

With PG&E’s attorney’s prompting, Mr. Singh explained that he didn’t understand the significance of what he wrote, explaining: “I am not well versed, I don’t have the legal background to make legal conclusions.”⁷⁶ His testimony is dishonest.

Mr. Sumcet testifies regularly on behalf of the utility before this Commission and has opined on regulatory matters repeatedly.⁷⁷ He has a team of regulatory compliance experts that report to him directly who were copied on the letter; they had a month to confer on the content of the letter to SED.⁷⁸ Mr. Singh only signs off on statements he agrees with and has a team of experts who review his letters prior to sending it to the Commission.⁷⁹ A non-lawyer vice president with his own regulatory compliance team certainly can understand the significance of a utility’s admission in writing to a regulatory body and its significance as it relates to a recent pipeline explosion. His testimony demeaning his written admission attempts to mislead this Commission.

Next, PG&E proffered an expert’s opinion who concluded PG&E violated no state law in the six instances at issue in this OII.⁸⁰ The record makes clear that Mr. Huriaux has no

⁷³ Transcript at 447:23-448:1.

⁷⁴ *Id.* at 451:13-16.

⁷⁵ *Id.* at 451:17-22 [to which SED’s counsel accurately noted: “Now counsel for PG&E is testifying.”].

⁷⁶ *Id.* at 456:13-457:2.

⁷⁷ *Id.* at 458:26-459:459:2

⁷⁸ *Id.* at 448:11-19.

⁷⁹ *Id.* at 460:12-23.

⁸⁰ PG&E Reply Testimony at 7-1 (Ex. 4)[“In my opinion, SED and PWA do not offer any evidence that PG&E fails to comply with the federal and state pipeline safety regulations pertaining to the development and use of gas

foundation for his opinions on California law. Mr. Huriaux concludes that Section 451 contains mere “goal statements.”⁸¹ However, Mr. Huriaux admits that his only research into understanding California law was to read Sections 451 and 4216.1 and the Commission’s General Orders Nos. 58A and 112-E.⁸² He admits PG&E’s lawyers (his main point of contact was counsel Marie Fiala) told him that his conclusions regarding Section 451 were incorrect; Section 451 can be applied as an objective standard in California.⁸³

Mr. Huriaux’s conclusions were wrong and PG&E and its lawyers knew this. Its attorneys had the chance during the editing process to omit all references to California law, but chose to keep his sworn testimony regarding Section 451. Mr. Huriaux’s testimony is the only testimony that addresses PG&E purported compliance with Section 451. His conclusion, even though qualified that he is not an expert of California law, is used as a basis for PG&E’s denial of liability. This is also a Rule 1.1 violation.

The Commission may be feeling déjà-vu all over again; it has seen Mr. Huriaux’s conclusion that Section 451 cannot be a “free floating” source of a violation before. PG&E has presented this argument on numerous occasions and the Commission systematically rejected this argument.⁸⁴ PG&E simply recycles its old arguments contrary to Commission precedent, and now indirectly through an ill-advised expert.

ALJ Bushey noted during the evidentiary hearings that: “we are expending a great deal of resources to have this hearing.”⁸⁵ Such an expense of public resources was unnecessary with such undisputed facts supporting PG&E liability. The foundation upon which Messieurs Sing and Huriaux’s insist no law was violated contributed to the unnecessary delay and expense in these

distribution maps and records.”].

⁸¹ *Id.* at 7-4.

⁸² Transcript at 587:2-18; PG&E Reply Testimony at Exhibit 3 to Chapter 7 (Ex. 4).

⁸³ Transcript at 587:24-589:6.

⁸⁴ See e.g., D.15.04.021 at 48-56. PG&E’s Appeal filed December 1, 2014 to Citation No. ALJ-11-001 (fines for PG&E’s missteps in emergency procedures in Carmel) at 3-4.

⁸⁵ Transcript at 294:15-17.

proceedings. Such conduct should be incorporated into the Commission's penalties and fines against PG&E.

IV. THE REMEDIES

A. PG&E Should be Fined for its Illegal Conduct

Section 2107 provides:

“Any public entity that violates or fails to comply...with any...order, decision, decree, rule, direction, demand, or requirement of the commission...is subject to a penalty not less than five hundred dollars (\$500), nor more than fifty thousand dollars (\$50,000) for each offense.”

The facts explained above demonstrate that PG&E violated state and federal law and should be fined for its failures. Carmel supports SED's evaluation of the amount of fines and remedies with respect to all six gas leak events at issue in this OII. Carmel did not intervene to propose a just fine for each event, but defers to SED and this Commission to come to the proper number.

Section 2104.5 provides guidance for fines identified in Section 2107. It explains that in determining the appropriateness of a penalty, the Commission should consider the size of the utility, the gravity of the violation, and the utility's good faith to achieve compliance after the notification of violation. Much of PG&E's evidence does not address whether the law was broken, but, in seeing the writing on the wall, jumps straight to a trier of fact that the violations' fines should be minimal because of its good faith corrective actions post-explosion.⁸⁶ Carmel appreciates PG&E's corrective actions presented in its testimony and its efforts going forward. Carmel nonetheless, respectfully asks that the Commission apply the higher level of fine for three reasons. First, in response to PG&E's mitigation efforts, this evidence ignores the fact that Section 2104.5 also stresses that such a penalty amount can be “agreed upon in compromise.” PG&E should have worked with the Commission, SED, and Carmel to amicably resolve this proceeding, given the undisputed facts and its violation admission. Instead, early in the proceeding Carmel reached out to PG&E and SED. Senior leadership at PG&E first agreed to meet with Carmel, asked Carmel a question about SED's stance and, after Carmel met with SED

⁸⁶ PG&E Reply testimony at 1-2 through 1-3, 3-4 through 3-5, 4-6 through 4-10, 5-4 through 5-5, 5-8 through 5-9.

to obtain an answer, PG&E abruptly canceled the meeting.⁸⁷ PG&E's insistence that it broke no law was a fool's errand. It expended the parties' resources: public money. The prudent response to this OII should have been to seek compromise instead of its denials and insistence on taking this proceeding to trial.

Second, PG&E is a large corporation, a Section 2104.5 factor. This factor weighs to apply a higher fine. Third, the gravity of the violations is severe. PG&E had many warning signs to prevent these incidents, particularly in Carmel. PG&E should have been proactive with mitigating the risks associated with the Mountain View gas leak. PG&E waited until there was the destruction of someone's home and severe threat of loss of life and limb to take action. The gravity of harm rests with PG&E's decision to wait passively for "actual" harm, instead of considering the "potential" for harm.

B. PG&E's Malfeasance in Carmel Was a Continuing Violation

PG&E committed a continuing violation with respect to its recordkeeping in Carmel. Section 2108 provides: "Every violation by any corporation or person is a separate and distinct offense, and in the case of a continuing violation each day's continuance thereof shall be a separate and distinct offense." The Commission thus is authorized to penalize a utility for each day of a continuing violation as a separate offense.⁸⁸ The Commission's power to identify a utility's failure to act and penalize it accordingly for each day in violation was addressed in the recent San Bruno recordkeeping proceeding and affirmed by the California Court of Appeal.⁸⁹

Carmel defers to SED and this Commission with respect to the calculations of the continuing violations for the other incidents. As to the Carmel incident, the unknown plastic insert in Carmel was likely installed sometime in 1997-1998.⁹⁰ Federal law requires PG&E to maintain the associated service records for that pipe insert and have its maps updated

⁸⁷ See Mayor Burnett's October 7, 2015 letter to President Picker served on all parties.

⁸⁸ Section 2108.

⁸⁹ *Pacific Gas & Electric Company v. CPUC* (2015) 237 Cal.App.4th 812, 854-858; D.15-004-021 at 63-66.

⁹⁰ Carmel Report at 25.

accordingly. They were not and PG&E continued to maintain an incorrect map of 3rd Avenue and Guadalupe Street every day from the day the plastic pipe was installed until the explosion. Therefore, and consistent with the San Bruno recordkeeping decision, Carmel conservatively calculates that the violation occurred on December 31, 1998 and continued, each day, until the day of the explosion on March 3, 2014. Should the Commission choose to levy the higher fine, then PG&E should be penalized \$136.63 million for the Carmel home explosion alone.⁹¹

While Carmel's focus has been on the events that occurred in Carmel, Carmel believes that PG&E also violated Section 451 relating to the other events at issue in this OII. If the Commission finds that PG&E also violated federal and state law with respect to the other related incidents, then Carmel believes that PG&E could be fined as much as \$651.77 million.⁹² Carmel provides its calculations in the attached Exhibit A.

PG&E's two Rule 1.1 violations are also continuing violations and should be penalized accordingly. PG&E had the ability, every day, to move strike or withdraw its proffered, misleading testimony, but failed to act. PG&E should be punished for every day it failed to act ethically before this Commission. PG&E should be penalized for Mr. Singh's testimony from the date of his hearing testimony on January 21, 2016 until the date of this proceeding's final decision. PG&E should also be penalized for Mr. Hurliaux's testimony starting from the date of his proffered reply testimony, submitted November 12, 2015, until the date of this proceeding's final decision. The earlier date for Mr. Hurliaux's testimony is just and necessary because PG&E and its lawyers knew they were submitting incorrect Reply testimony regarding Section 451, but chose to present it to the Commission anyway.

Carmel believes it is appropriate to assign a higher fine for these violations, or \$50,000 per day for each of these Rule 1.1 violations.

C. The Commission Should Apply Other Penalties Against PG&E Outside of the Traditional Fines

⁹¹ See attached Exhibit A.

⁹² *Id.*

President Picker wondered whether imposing fines and penalties were too easily absorbed by the company and did not prevent the executive suite from making unsafe choices.⁹³ As seen in the San Bruno decision, PG&E used \$1.3 billion of its fine as a tax write off, much to the chagrin of state lawmakers.⁹⁴ PG&E has seen its fair share of recent fines, but the problems persist. It does not appear that fines against a corporate entity like PG&E is working to make lasting change.

The California Constitution provides this Commission with broad, far reaching duties, functions, and powers.⁹⁵ Through Section 701, the California Legislature conferred on the Commission expansive authority to “do all things, whether specifically designated in this part, or in addition thereto, which are necessary and convenient in the exercise of such power and jurisdiction.” This Commission’s authority has been liberally construed.⁹⁶ This power includes the ability to issue penalties outside the traditional realm of calculated fines to the State’s general fund.⁹⁷

Penalties are a form of deterrence. This Commission has held that “Effective deterrence is particularly important against violations which could result in public harm, and particularly against those where severe consequences could result.”⁹⁸ In accordance with these principles and the Commission’s Constitutional powers, Carmel proposes the following penalties as remedies in addition to any fines levies as a means for effective deterrence against future gas explosions.

1. Executive Bonuses Should be Tied to Include Safety Goals

⁹³ April 9, 2015 Commission Meeting comments.

⁹⁴ See *San Bruno Penalty Remains Tax Write-off for PG&E* <http://www.sfgate.com/politics/article/San-Bruno-penalty-remains-tax-write-off-for-PG-E-6484220.php>

⁹⁵ Cal. Const. Art. XII §§ 1-6.

⁹⁶ *Consumers Lobby Against Monopolies v. CPUC* (1979) 25 Cal.3d 891, 905; *PG&E v. CPUC*, *supra*, 237. Cal.App.4th at 820.

⁹⁷ D.15-04-024 at 27-30 [“In this instance, the remedies considered below are to ensure that PG&E’s gas transmission pipeline system will be maintained and operated safely. Accordingly, they lie squarely within our jurisdiction.”].

⁹⁸ See *Final Opinion Adopting Enforcement Rules* (1998) 84 CPUC 2d 167, 188.

A commitment to safety begins with the top. PG&E suffers from a lack of safety culture fostered by upper management. This is not news; PG&E has known about its flaws at the corporate level in fostering values of safety accountability. The San Bruno decisions, the NTSB Report, and Duller & North Report all discussed this problem with its executives.⁹⁹ The fact that no one in upper management knew about the Mountain View incident and its internal findings and recommendations is troubling. At the same time, the corporation was defending itself in criminal and civil proceedings for its recordkeeping malfeasance related to the San Bruno pipeline explosion. Management must do better. PG&E admits this.¹⁰⁰

Carmel proposes that the Commission order that PG&E propose an ambitious model to more closely link executive pay to safety goals and measures. The order should include that SED and Carmel work together to hire an executive compensation advisor to review and make recommendations to PG&E's proposal. PG&E should pay for the compensation advisor.

2. Create and Endow a Safety and Leak Intervenor

Carmel proposes that the Commission order the creation and the endowment of a safety and gas leak intervenor. This would be similar to the role of TURN, but an intervenor focused solely on issues of public safety relating to gas pipelines and gas leaks. Without such a voice, there is an imbalance of power and perspective before the CPUC. Carmel intervened to protect its residents' interests after the explosion in its town; its role is limited in scope. Carmel has neither the desire nor resources to address generalized safety issues throughout California. Such an intervenor needs to be an independent voice, outside of the CPUC.¹⁰¹

3. Safety and Leak Performance Incentives Ties to PG&E's Bottom Line

PG&E's proffered evidence claims that its safety and leak records exceed the industry average. Carmel proposes that such information be more than just a response to an OII's investigation into pipeline violations. Specifically, the Commission should order that PG&E's

⁹⁹ PWA Report at 9-10 (Ex. 1); D.15-04-023 at 222.

¹⁰⁰ Transcript at 545:11-21 [We expect more.].

¹⁰¹ This remedy should be in addition to any effort by the CPUC to create an office within the Commission that focuses on safety during ratemaking and other such proceedings.

authorized potential rate of return on capital to be increased if PG&E's safety and leak record exceeds industry average. Conversely, PG&E's authorized potential rate of return on capital to be reduced if PG&E's safety and leak record is less than industry average. PG&E's Safety record should include an analysis of its response time to gas leaks. This does not mean when PG&E gets there, it means when PG&E fixes the problem. In order to do this effectively, the Commission will need to set industry standards for measuring safety and require all gas utilities in the state to measure and report using these standards.

4. The Commission Should Order an Independent Review of PG&E's Safety Culture

Carmel proposes that the Commission order an independent review to analyze PG&E's business practices, policies and corporate culture and how the utility prioritizes safety in its gas pipeline activities. Carmel does not have confidence in the Exponent and Lloyd's of London reports. They are too cozy with PG&E and their reports are either too limited in scope or just scratch the surface of PG&E's actual practices. Furthermore, they are commissioned and paid for by PG&E, creating an inherent conflict of interest and undermining the public's confidence in and ability to rely on the reports. PG&E's safety protocols may look great on paper, but the law requires safe implementation. It is the implementation that gets overlooked in Lloyds and Exponent's analyses. As part of the order, Carmel proposes that SED select the expert for an independent review to help keep them at arm's length with its subject. PG&E should be ordered to pay for the review.

5. The Commission's Decision Should Include that PG&E's Actions and Inactions in these Gas Leaks Caused the Release of Methane Gas

The Commission's decision should include a finding that PG&E caused methane, a greenhouse gas, to be released into the atmosphere as part of these six incidents and other leaks. Therefore, these are reportable events pursuant to the Global Warming Solutions Act of 2006.¹⁰² The Commission should confer with the California Air Resources Board about how to address such releases under the AB32 cap.

¹⁰² Health and Safety Code § 38500 et seq.

6. The Commission Should Order Additional Safety Remedies

Carmel urges the Commission to include in its decision the following binding commitments by PG&E with respect to improving safety in its communities: 1) PG&E to immediately call 911 and otherwise engage first responders for any future, similar gas leaks like the one seen in Carmel; 2) PG&E to have necessary safety equipment on trucks doing work for any reasonably foreseeable accidents that could be caused by such work; and 3) PG&E to have relevant safety equipment on first responder trucks to remedy all but the most serious incidents; and 4) all other remedies proposed by SED.

What continues to occur in Carmel is that an incident, such as a gas leak, occurs and the crew alerts a supervisor. The PG&E supervisor arrives, but cannot do anything to fix the problem. Then the supervisor calls and waits for another team that do possess the proper tools to stop the gas leak. Carmel has learned first-hand about this scheme that delays PG&E's emergency response times, not just on March 3, 2014, but through other incidents that have occurred in its town.¹⁰³ The proper tools should be on site as soon as possible to prevent a dangerous condition. Phone calls, voicemails, and waiting do not suffice.

7. PG&E Should Compensate Carmel for its Damages Incurred as a Result of the Gas Explosion

The Commission should order that PG&E be ordered to pay Carmel for its damages associated with the March 3, 2014 blast. Carmel is a small town that, like any town, has limited resources. As a result of this blast, Carmel suffered direct costs through its emergency response efforts, its remediation and repair costs, its administrative time and effort, and its consulting and legal costs. It has also suffered indirect costs through lost "opportunity costs." Carmel's staff and elected officials could have better spent their time on other pressing issues affecting their city. Instead, they were forced to spend hundreds of hours in response to this explosion through communications with the home's owner, speaking to worried neighbors and citizens, answering phone calls, holding council meetings, communicating with both PG&E and SED to investigate

¹⁰³ See Calhoun testimony (Ex. 44).

the explosion, and request and then participate in this OII. The explosion also caused indirect costs by damaging Carmel's "brand" as a quiet, tranquil coastal town; a house explosion is not attractive to investment and tourism.

The community of Carmel has been damaged as a result of this preventable explosion. The explosion caused neighbors anxiety and they have suffered loss of sleep due to the fear of what other unknowns exist underground.¹⁰⁴ This request for damages is not a form of intervenor compensation pursuant to Section 1801 et al., because unlike traditional intervenors, Carmel is a victim of PG&E's negligence.

The Commission has exclusive jurisdiction over the safety of PG&E's distribution system and is the proper venue to hear Carmel's request for restitution.¹⁰⁵ Carmel entered into a franchise agreement with PG&E wherein Carmel agreed to let PG&E use its roads and right-of-ways to safely install and maintain its gas pipelines.¹⁰⁶ The Carmel-PG&E franchise agreement is subject to the Franchise Act of 1937 in the Public Utilities Code.¹⁰⁷ The Franchise Act requires that PG&E install and maintain its pipelines in accordance municipal and state laws.¹⁰⁸ Section 6302 also provides that PG&E shall be "liable to the granting municipality for all damages proximately resulting from the failure of the grantee well and faithfully to observe and perform any provision of the franchise and any provision of this chapter." Therefore, PG&E should be ordered to compensate Carmel for its damages. It will submit evidence of damages incurred through separate, further briefing.

8. All the Above-listed Fines and Penalties Should be Paid with Shareholder Money

Carmel believes that PG&E should not be permitted to pass the associated costs with

¹⁰⁴ See Burnett testimony at 5:10-14 (Ex. 44).

¹⁰⁵ *Orange County Air Pollution Control Dist. v. Public Utilities Comm'n* (1971) 4 Cal.3d 945, 950-951; *Southern Cal. Gas Co. v. City of Vernon* (1995) 41 Cal.App.4th 209, 217 [holding city could not regulate design and construction of proposed gas pipeline because CPUC regulates that specific area].

¹⁰⁶ Exhibit A to Request for Judicial Notice, filed concurrently.

¹⁰⁷ §§ 6201 et al.

¹⁰⁸ § 6294.

these penalties to its ratepayers. It is unjust; if the Commission wants true deterrence from future violations, it must hit PG&E where it hurts: its pocketbook via its shareholders. Otherwise, PG&E will simply pass the penalties' costs to its customers and business will continue as usual.

V. CONCLUSION

The explosion in Carmel was caused by multiple mistakes and failures to act. PG&E's testimony does not dispute the facts. Instead, the utility stresses its corrective actions it has done. It's too little too late, promises do not negate what happened in Carmel. PG&E's proffered improvements may help to reduce the severity in the fines and hopefully will prevent future incidents, but it does not change the fact that violations of federal and state law occurred on March 3, 2014.

The Mountain View incident should have been a key warning sign. It was a similar situation of welding on steel pipe with an unmapped plastic inserted causing a gas leak. After the Mountain View incident, PG&E internal investigation concluded more work needed to be done in the field to prevent futures incidents from occurring. Yet PG&E did nothing. PG&E's inaction, along with many other layers of weakness in their protocol and records, caused this explosion in Carmel's backyard. PG&E justified its inactions by claiming Mountain View was perceived as an isolated event that caused no major property damage. In other words, PG&E's plan was to also wait until severe property damage or death occurred in order to take corrective action. The law requires more.

Carmel cannot stress enough the serious anxiety this caused the residents of Carmel. This explosion due to shoddy risk analyses and records management has put this community on edge. Carmel's city staff and electric officials have spent hundreds of hours in response to this explosion. Carmel did not want to become involved in PG&E's distribution system problems, but was forced into this proceeding in response to its residents' concerns over their health and

safety. Therefore, Carmel asks that the Commission issue the fines and remedies outlined in SED and Carmel's brief. Carmel is hopeful that these fines and penalties will help to prevent future threats to life and limb.

February 26, 2016

Respectfully Submitted,

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CARMEL'S VIOLATION CALCULATIONS

Exhibit A

CARMEL'S VIOLATION CALCULATIONS

Code	Total days for continuing violations	Amount	Amount per code
<i>1.) Castro Valley- Incident Date: 9/17/2010</i>			
49 CFR §192.13(c)		\$2 million	\$2 million/flat
49 CFR §192.605(a)		\$2 million	\$2 million/flat
49 CFR §192.605(b)(3)		\$2 million	\$2 million/flat
PUC Code 451	1720 days 12/31/05 start used as start date when SED report notes 5-year leak survey done on uncorrected maps	\$34.4	\$20K between 12/31/05 to 12/31/11 per day
TOTAL FINES		\$40.400 million	
<i>2.) Morgan Hill-Incident Date: 6/21/2012</i>			
California Government Code 4216.3.(a)(1)		\$10,000	\$10,000/flat
49 CFR §192.605 (a)		\$2 million	\$2 million/flat
49 CFR §192.605 (b)(3)		\$2 million	\$2 million/flat
PUC Code 451	9497 @ 2k 6939 @ 20k 173 @ 50k 12/31/66 used as start date when stub deactivated	\$18.994 million \$138.780 million \$8.650 million	\$2K between 12/31/66 to 12/31/92 per day \$20K between 1/1/93 to 12/31/2011 per day \$50K between 1/1/12 to 6/21/12 per day
TOTAL FINES		\$170.434 million	
<i>3.) Montague Expressway and Great Mall Parkway, Milpitas- Incident Date: 10/10/2012</i>			
49 CFR § 192.605 (a)		\$2 million	\$2 million/flat
49 CFR § 192.605 (b)(3)		\$2 million	\$2 million/flat
PUC Code § 451	unknown start date when map incorrectly mapped valve as "open"	\$50,000	\$50K/flat

CARMEL'S VIOLATION CALCULATIONS

Code	Total days for continuing violations	Amount	Amount per code
TOTAL FINES		\$ 2.05 million	
<i>4.) Great Mall Parkway, Milpitas-Incident Date: 3/4/2013</i>			
California Government Code § 4216.3.(a)(1)		\$10,000	\$10,000/flat
PUC Code § 451	6210 @ 20k 64 @ 50k 12/31/94 used as start date when subject Electronic Test Station (ETS) installed	\$124.200 million \$3.3 million	\$20K between 12/31/94 to 12/31/2011 per day \$50K between 1/1/12 to 3/4/12 per day
TOTAL FINES		\$127,510 million	
<i>5.) Mountain View-Incident Date: 7/30/2013</i>			
49 CFR §192.605(b)(3)		\$2 million	\$2 million/flat
PUC Code § 451	2558 @ 2k 6939 @ 20k 577 @ 50k 12/31/85 used as start date when unmapped pipe installed	\$5.116 million \$138.780 million \$28.85 million	\$2K between 12/31/85 to 12/31/92 per day \$20K between 1/1/93 to 12/31/2011 per day \$50K between 1/1/12 to 7/30/13 per day
TOTAL FINES		\$174.746 million	
<i>6.) Carmel-Incident Date: 3/3/2014</i>			
49 CFR § 192.605(b)(3)		\$2 million	\$2 million/flat
PUC § 451	4749 @ 20k 793 @ 50k 12/31/98 used as start date when unmapped pipe installed	\$94.980 million \$39.650 million	\$20K between 12/31/98 to 12/31/2011 per day \$50K between 1/1/12 to 3/3/14 per day
TOTAL FINES		\$136.630 million	
TOTAL FOR ALL		\$651.770 Million	