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PRESS RELEASE

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CPUC OPENS CASE AGAINST PG&E FOR POTENTIAL NATURAL GAS SAFETY VIOLATIONS

SAN FRANCISCO, December 14, 2018 - The California Public Utilities Commission (CPUC) has opened a proceeding to consider penalties and ordered immediate action against Pacific Gas and Electric Company (PG&E) for what CPUC staff says are systemic violations of rules to prevent damage to natural gas pipelines during excavation activities. The CPUC directed PG&E to take immediate corrective measures and to attest under penalty of perjury that it is conducting natural gas pipeline locate and mark efforts and programs in a safe manner consistent with all applicable law.

California law requires utilities to timely locate and mark natural gas pipelines to ensure that third-party construction excavation does not damage pipes and other components and thus diminish safety. A CPUC Safety and Enforcement Division (SED) staff investigation report alleges that PG&E falsified locate and mark records from 2012 to 2017. Specifically the report finds that PG&E: lacked sufficient staffing to locate and mark natural gas pipelines in compliance with law; pressured supervisors and locators to complete the work resulting in PG&E staff falsifying data so requests for pipeline locating and marking would not appear as late; had common knowledge among its supervisors that locators falsified data; and received input from external parties that there were discrepancies in its late locate and mark reporting.

The CPUC's penalty consideration case (called an Order Instituting Investigation) opened yesterday by the CPUC's Commissioners, will assess PG&E's compliance with the law pertaining to the locating and marking of natural gas distribution pipelines and related requirements to timely and accurately inform construction personnel and private persons on the location of PG&E's underground pipes and other infrastructure related to the transportation of natural gas.



“Utility falsification of safety related records is a serious violation of law and diminishes our trust in the utility’s reports on their progress,” said CPUC President Michael Picker. “These findings are another example of why we are investigating PG&E’s safety culture. Our upcoming consideration of measures that address systemic safety issues at PG&E will determine the best path forward for Northern Californians to receive safe electrical and natural gas service in the future.”

During the penalty consideration case, which is similar to a court case, an Administrative Law Judge will hear testimony from SED and other parties to the proceeding, as well as PG&E. PG&E must demonstrate why the CPUC should not certify the findings in SED’s report and impose penalties and/or any other form of relief, if any violations are found. PG&E is directed to provide a report on these matters and provide additional information as requested by the CPUC.

The order opening the penalty consideration case is available at <http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&DocID=246120841>. SED’s report will be available in 13 business days and posted to the CPUC’s website.

The CPUC regulates services and utilities, safeguards the environment, and assures Californians’ access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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