

California Public Utilities Commission
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FOR IMMEDIATE RELEASE

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PRESS RELEASE

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**CPUC ANNOUNCES EXPERT PANELISTS FOR INDEPENDENT
STUDY OF SAN BRUNO EXPLOSION**

SAN FRANCISCO, Oct. 14, 2010 - The California Public Utilities Commission (CPUC) today announced the names of the experts of an Independent Review Panel that will conduct a comprehensive study and investigation of the September 9, 2010, explosion of a Pacific Gas and Electric Company (PG&E) pipeline in San Bruno, including examining the root causes and making recommendations for action by the CPUC to best ensure such an accident is not repeated elsewhere.

The panel members are:

- Chair - **Larry N. Vanderhoef**, Chancellor Emeritus, University of California, Davis
- **Patrick Lavin**, International Brotherhood of Electrical Workers 7th District International Executive Council Member; Co-chairman of the Pacific Council on International Policy, Energy Task Force
- **Karl S. Pister**, Chair of the Governing Board of the California Council on Science and Technology; Chancellor Emeritus, University of California, Santa Cruz; Dean and Roy W. Carlson Professor of Engineering, Emeritus, University of California, Berkeley
- **Paula Rosput Reynolds**, President and Chief Executive Officer, PreferWest, LLC; former Chairman, President, and Chief Executive Officer of AGL Resources, a Fortune 1000 Atlanta-based energy services holding company
- **Jan Schori**, counsel to the law firm Downey Brand LLP; former General Manager and Chief Executive Officer of the Sacramento Municipal Utility District; North American Electric Reliability Council Board of Trustees; Climate Action Reserve Board of Directors

Detailed biographies are below.

“I am extremely pleased that we were able to secure such high caliber experts and I thank them for their commitment to investigate the San Bruno explosion. The panel members represent a wide range of knowledge and experience and all are highly respected in their fields,” said CPUC President Michael R. Peevey. “Their insights and recommendations will be instrumental in helping us to determine what went wrong in San Bruno and how to make sure it never happens again.”

The CPUC has conferred on the panel the same investigatory authority as the CPUC staff already possesses for purposes of the fact-finding investigation. The Panel’s recommendations may include changes to design, construction, operation, maintenance, and replacement of natural gas facilities, management practices at PG&E in the areas of pipeline integrity and public safety, regulatory changes by the CPUC itself, statutory changes to be recommended by the CPUC, whether there may be systemic management problems at PG&E and whether greater resources are needed to achieve fundamental infrastructure improvements, and other recommendations deemed appropriate by the Panel.

The Panel’s charter is below.

Documents related to the San Bruno explosion are available at www.cpuc.ca.gov/PUC/events/sanbruno.htm.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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Independent Review Panel Biographies

Larry N. Vanderhoef, Panel Chair

Larry N. Vanderhoef is Chancellor Emeritus, University of California, Davis. He joined the campus in 1984 as executive vice chancellor and provost and was appointed chancellor in April 1994. During his tenure as chancellor, the campus was invited to membership in the prestigious Association of American Universities; increased its extramural awards from \$169.1 million to \$622 million annually, earning a National Science Foundation research funding ranking of 10th in the U.S.

among public universities; and made distinctive strides in recruiting a diverse and accomplished faculty and student body.

Mr. Vanderhoef was honored by the *Sacramento Business Journal* as one of the 20 people who have contributed most substantially to California's capital region over the past 20 years, and Valley Vision presented him with its 2009 Legacy of Leadership Award. As well, the Sacramento Metropolitan Chamber of Commerce named him Sacramentan of the Year in 2004, and the Arts and Business Council of Sacramento presented him with its Prelude to the Season Outstanding Contribution Award in 2003.

Mr. Vanderhoef has served on various national commissions addressing graduate and international education, the role of a modern land-grant university and accrediting issues. He holds B.S. and M.S. degrees in biology from the University of Wisconsin, Milwaukee, and a Ph.D. in plant biochemistry from Purdue University. Previously, he held faculty positions at the University of Illinois, where he also served as a department head, and at the University of Maryland, College Park, where he was appointed provost. Early in his career, he was named an Eisenhower Fellow, a recognition awarded to emerging leaders from around the world to promote positive relationships and interactions between countries. He was awarded honorary doctoral degrees by Purdue University and by Inje University in Korea, and an honorary professorship of China Agricultural University.

Patrick Lavin

Patrick Lavin started his International Brotherhood of Electrical Workers (IBEW) career at IBEW #9, Chicago, in June 1966 as a Groundman. In 1969, he enlisted in the United States Marine Corps and served on active duty in the Pacific with the Fleet Marine Force of the U.S. Navy's 7th Fleet until 1972. All the while, he was an active, dues paying member of IBEW #9.

Mr. Lavin is a Journeyman Lineman by trade and has been one for over 35 years. He has been elected to four terms as Business Manager & Financial Secretary of IBEW Local #47 and is serving his 3rd term as the IBEW 7th District International Executive Council member. He was elected as Secretary of that Council by the IEC in June 2003.

Of his 33 plus years in the field Mr. Lavin has worked for numerous IBEW signatory contractors and four utilities out of various local unions around the U.S.

Mr. Lavin is the Treasurer of the Coalition of California Utility Employees (CCUE), a Board member of California Unions for Reliable Energy (CURE), an Executive Board member of the California State Association of Electrical Workers (CSAEW), and a member of the Board of Directors of the California Foundation on the Environment and the Economy (CFEE). He is currently co-chairman of the Pacific Council on International Policy, Energy Task Force. He also serves as Chair of the IBEW #47 Retiree Medical Trust Fund, along with being the Chairman of the Cal-Nevada IBEW/NECA JATC Board.

As a member of the IBEW International Executive Council, he is a Trustee on the Pension Benefit Funds and all funds of the International Brotherhood of Electrical Workers. In addition to those duties, he serves on the National Employee Benefit Board (NEBB), which is the Board of Directors for the National Electrical Benefit Fund (NEBF), National Electrical Annuity Plan (NEAP), and the National Electrical 401K (NEFP).

Mr. Lavin holds a Bachelor's degree in Organizational Management from Southern California College. He has been married to his wife, Ellen, for 36 years. They have two daughters, two sons, and 10 grandchildren.

Karl S. Pister

Karl S. Pister is Chair of the Governing Board of the California Council on Science and Technology, and Chancellor Emeritus, University of California, Santa Cruz, and Dean and Roy W. Carlson Professor of Engineering, Emeritus, University of California, Berkeley. He completed five decades of service to higher education, beginning his career in higher education as Assistant Professor in the Department of Civil Engineering at UC Berkeley. He served as Chairman of the Division of Structural Engineering and Structural Mechanics before his appointment as Dean of the College of Engineering in 1980, a position he held for 10 years. From 1985 to 1990 he was the first holder of the Roy W. Carlson Chair in Engineering. From 1991-1996 he served as Chancellor, UC Santa Cruz.

He received the Wason Medal for Research, awarded by the American Concrete Institute and was the recipient of Distinguished Alumni Awards from both the University of Illinois and the University of California, Berkeley Colleges of Engineering. The American Society for Engineering Education presented him with the Vincent Bendix Award for Minorities in Engineering, and the Lamme Medal, the highest honor bestowed by the society, for his contributions to engineering education. He is also the recipient of the Berkeley Medal, awarded by UC Berkeley, the Presidential Medal of the University of California, and the Year 2000 Presidential Award of the American Society of Mechanical Engineers.

Mr. Pister is a member of the National Academy of Engineering and a Fellow of the American Academy of Arts and Sciences. He is also a Fellow of the American Academy of Mechanics, the American Society of Mechanical Engineers, the American Association for the Advancement of

Science, and an Honorary Fellow of the California Academy of Sciences. He served as founding chairman of the Board on Engineering Education of the National Research Council.

Mr. Pister attended the University of California, Berkeley, where he received a Bachelor's degree with honors and M.S. degree in the field of Civil Engineering. After serving as an Instructor in Civil Engineering at Berkeley, he completed graduate studies at the University of Illinois at Urbana-Champaign, where he received the Ph.D. in Theoretical and Applied Mechanics.

Paula Rospot Reynolds

Paula Rospot Reynolds has served as a senior executive in several prominent public companies. Most recently, Ms. Reynolds completed a one year assignment leading a restructuring team whose goal was to stabilize the liquidity and capital needs of the world's largest insurance company, American International Group (AIG), which was a recipient of substantial support from the U.S. government.

Ms. Reynolds is the former chairman, president, and chief executive officer of Safeco Corporation, a Fortune 500 property and casualty insurance company that was acquired by Liberty Mutual Insurance Group in 2008. During her tenure, Safeco produced financial performance that was routinely in the top quartile of its industry peers. Under her leadership, Safeco increased its focus on technology and innovation, including the creation of the insurance industry's only research and development group.

Before joining Safeco, Ms. Reynolds was chairman, president, and chief executive officer of AGL Resources, a Fortune 1000 Atlanta-based energy services holding company. AGL's holdings include natural gas utilities along the eastern seaboard as well as energy facilities and trading in the Gulf Coast of the U.S. AGL Resources was named "Company of the Year" by its industry trade publication and launched major pipeline replacement programs throughout the states in which it operated.

Prior to moving to Georgia, Ms. Reynolds was an executive of Duke Energy Corporation and one of its predecessors, PanEnergy Corp. She served as the CEO of Duke Energy North America, an unregulated owner and operator of electric power. Earlier in her career, Reynolds held positions at PG&E Corp. including serving as an executive of PG&E's interstate natural gas pipeline subsidiary, which is now part of TransCanada Corp.

Ms. Reynolds has served as a director of various public companies and is currently on the boards of Delta Air Lines and Anadarko Petroleum Corporation. At present, Ms. Reynolds serves as a member of the Governor's Task Force on Financing Higher Education in the state of Washington.

Ms. Reynolds graduated with highest honors in economics from Wellesley College.

Jan Schori

Jan Schori is the former general manager and chief executive officer of the Sacramento Municipal Utility District (SMUD), the nation's sixth largest publicly owned electric utility. During her 14 year tenure as CEO, the utility earned a strong reputation for its renewable energy and energy efficiency programs as well as the national number one ranking in commercial customer satisfaction by JD Power & Associates in 2006-7 and 2007-8. Prior to serving as CEO she spent 15 years on the legal staff at SMUD, the last five years as general counsel. She is past chair of the

American Public Power Association, the Large Public Power Council, and the California Municipal Utilities Association.

Ms. Schori is also past chair of the Business Council for Sustainable Energy and served on the board of the Alliance to Save Energy. She was elected in 2009 to the North American Electric Reliability Corporation's (NERC) board as an independent trustee. NERC is responsible for the reliability of the US and Canadian bulk power grid. She continues to serve on the board of the Climate Action Reserve, which develops protocols and tracks greenhouse gas reduction projects, and the board of Valley Vision, a regional action tank seeking collaborative solutions to community issues in California's central valley. She is of counsel to the law firm Downey Brand LLP in Sacramento.

CHARTER OF THE INDEPENDENT REVIEW PANEL

Independent Review Panel – September 9, 2010

San Bruno Explosion

On behalf of the California Public Utilities Commission, an Independent Review Panel of experts shall be retained for the purpose of conducting a comprehensive study and investigation of the September 9, 2010, explosion and fire along a Pacific Gas and Electric Company (“PG&E”) natural gas transmission pipeline in San Bruno, CA. The investigation shall include a technical assessment of the events and their root causes, and recommendations for action by the Commission to best ensure such an accident is not repeated elsewhere. The recommendations may include changes to design, construction, operation, maintenance, and replacement of natural gas facilities, management practices at PG&E in the areas of pipeline integrity and public safety, regulatory changes by the Commission itself, statutory changes to be recommended by the Commission, and other recommendations deemed appropriate by the Panel. The latter shall include examining whether there may be systemic management problems at the utility and whether greater resources are needed to achieve fundamental infrastructure improvements.

Specific Questions to Guide the Fact-Finding Investigation

- What happened on September 9, 2010?
- What are the root causes of the incident?
- Was the accident indicative of broader management challenges and problems at PG&E in discharging its obligations in the area of public safety?
- Are the Commission’s current permitting, inspection, ratemaking, and enforcement procedures as applied to natural gas transmission lines adequate?
- What corrective actions should the Commission take immediately?
- What additional corrective actions should the Commission take?
- What is the public's right to information concerning the location of natural gas transmission and distribution facilities in populated areas?

Membership and Support

The membership of the Panel shall consist of no fewer than three experts, and no more than five, selected by the President of the Commission, and confirmed by a vote of the Commission. The President of the Commission shall select a leader for the Panel. The Panel shall exercise investigatory powers as granted by the Commission. Commission staff shall provide administrative support to members of the Panel. The Panel also shall be free to seek opinions and recommendations from expert consultants.

Compensation and Expenses

Members of the Panel shall be paid a nominal sum. Reasonable expenses incurred by members will be paid. Expert consultants to the Panel shall be paid reasonable compensation.