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

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 Locate and Mark Practices and
Related Matters.

**I.18-12-007
(Issued December 14, 2018)**

**PACIFIC GAS AND ELECTRIC COMPANY'S
SAFETY AFFIDAVIT**

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January 14, 2019

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

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OF THE STATE OF CALIFORNIA**

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**PACIFIC GAS AND ELECTRIC COMPANY'S
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Pacific Gas and Electric Company ("PG&E" or "the Company") hereby submits the affidavit confirming that PG&E is conducting Locate and Mark programs in a safe manner, as required under Ordering Paragraph 18 of the California Public Utilities Commission's ("CPUC") Order Instituting Investigation and Order to Show Cause ("OII"). The Affidavit of Melvin J. Christopher, PG&E's Vice President, Gas Transmission and Distribution Operations, is provided as Exhibit A, attached.

Respectfully submitted,

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By: /s/Jonathan D. Pendleton
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EXHIBIT A

Affidavit of Melvin J. Christopher

I, Melvin J. Christopher, respectfully state as follows:

1. I am the Vice President, Gas Transmission and Distribution Operations, for Pacific Gas and Electric Company (PG&E). Since January 2017, I have overseen PG&E's daily operations of its gas transmission and distribution systems, including maintenance, leak management, field services, storage operations, compression, emergency dispatch and response, damage prevention, and corrosion operations.

2. I submit this affidavit in response to the Order Instituting Investigation and Order to Show Cause's (OII) requirement that PG&E submit an affidavit confirming that PG&E is operating its Locate and Mark (L&M) program in a safe manner. *See* OII, Paragraph 18. Based on information of which I have personal knowledge, information provided to me by colleagues whom I trust and on whom I rely, and on my 36 years of experience working in the gas and electric utility industry, it is my opinion that PG&E is operating its L&M program in a safe manner.

My Background

3. I joined PG&E in 2011 as the Director, Gas System Operations. Approximately four months after joining PG&E, I was promoted to Senior Director, Gas System Operations. In that role, I was responsible, among other things, for designing, developing, and hiring staff for PG&E's state of the art gas control center and putting safety and emergency preparedness and response at the forefront of the control center operations.

4. From approximately 2009 to 2011, I was the president of an energy consulting firm that specialized in helping solve complex problems in the gas and electric utility industry. From approximately 1982 to 2009, I worked for PNM Resources and its affiliates, including

Public Service Company of New Mexico, where I held various officer roles. One of those roles was serving as the vice president of operations and engineering from approximately 1997 to 2003. During that time, I was responsible for Public Service Company of New Mexico's gas field operations, among other areas, including its L&M program. I also served as the chief engineer for the company's gas business. As chief engineer, my responsibilities included overseeing the company's technical training and its standards and procedures, including those for damage prevention programs.

5. I graduated from New Mexico State University in 1982 with a degree in chemical engineering.

PG&E's Damage Prevention Program

6. L&M is a component of PG&E's Comprehensive Damage Prevention Program, which includes activities, processes, and tools aimed at public and employee safety by reducing excavation-related damages to a utility's underground facilities. L&M is designed to improve worker safety, protect underground infrastructure, and promote public safety during excavation activity by identifying the approximate location of a utility's underground assets. A locator from an L&M team will go to the excavation site to indicate and mark a utility's asset approximate locations with paint or flags within the delineated excavation site. An L&M team becomes involved once an excavator places a call by calling 811 or submits a ticket online through USA North. PG&E's L&M team receives those excavation activity tickets that are potentially within close proximity of PG&E's underground infrastructure.

7. In addition to L&M, there are several other components to PG&E's Damage Prevention program, including: (a) public education and awareness programs; (b) the installation and maintenance of pipeline marker signs on the surface above or near natural gas pipelines

located at frequent intervals along the pipeline right-of-way; (c) the performance of post-excavation evaluation by the Dig-In Prevention/Dig-In Reduction Team to identify process improvements to reduce damages; (d) the Aerial & Ground Pipeline Patrol Program, which, among other things, traverses transmission and gathering pipelines, as well as some distribution mains, and reports observed threats to the safety and integrity of the pipeline; and (e) maintaining the condition of the pipeline right of way free from encroachments and non-compatible vegetation. Among others, these layers of protection offered by PG&E's Damage Prevention program, of which L&M is an element, are an integral aspect to its safety efforts.

My Opinion and Beliefs

8. It is my experience that a utility operating a damage prevention program in a safe manner must understand the relevant risks, put tools and processes in place to evaluate and mitigate the risks, have a robust compliance function, institute best practices, implement appropriate training, have proper visibility into its field operations, have functional controls in place to evaluate performance, and put safety and emergency response at the forefront of its daily actions. Based on my training and experience, it is my opinion that PG&E's Damage Prevention program, including the L&M program, is operating in a safe manner.

9. I base my conclusion on several factors. These include but are not limited to (a) PG&E's history of damage prevention improvements and reducing dig-in rates; (b) steps PG&E has taken to improve the L&M program; and (c) external, non-PG&E information I have learned regarding the practices and performance of other utilities.

10. With respect to PG&E's history of damage prevention and reducing dig-in risks, PG&E's safety record has shown year-over-year improvement. The best evidence of this record is PG&E's dig-in rate, or the number of dig-ins per 1,000 USA tickets. PG&E's dig-in rate

declined each year from 2013 through 2018. This information supports my opinion that PG&E is operating its L&M program in a safe manner, as a properly functioning L&M program is focused on making sure that locations are marked and dig-in risk is reduced.

11. With respect to steps PG&E has taken to improve the L&M program, PG&E has implemented significant improvements that have enhanced the safety of the program. Many of these improvements arose out of a Special Attention Review (SAR), which commenced in or about May 2017 (2017 SAR) under the direction of PG&E's Senior Vice President of Gas Operations, Jesus Soto, after an Industry Peer Review of the Damage Prevention Program. At PG&E, a SAR is generally designed to identify a problem, determine the root causes and contributing factors, and identify and implement appropriate corrective actions on an expedited basis. I have been personally involved in the 2017 SAR on L&M issues from its inception, participated in 2017 SAR discussions, and helped to identify issues and appropriate corrective actions, and have overseen the implementation of several of the corrective actions.

12. PG&E developed a Compliance Plan that collected corrective actions drawn from insights from, among other places, the 2017 SAR. The Compliance Plan was designed to improve the Damage Prevention and L&M processes.

13. In preparation for the submission of this affidavit, I held a series of meetings with PG&E employees who were assigned to implement particular corrective actions under the Compliance Plan, including with PG&E's Internal Audit personnel who are reviewing the effectiveness of the controls being implemented as a part of the corrective actions. At the meeting, I discussed with the employees the status of the corrective actions for which they are responsible, and their view of whether PG&E is operating its L&M program in a safe manner. I have held discussions along these lines on an ongoing basis since we developed the Compliance

Plan. This information supports my opinion that PG&E is operating its L&M program in a safe manner.

14. Finally, with respect to external, non-PG&E information I have learned regarding the practices and performance of other utilities, I receive information through a variety of channels regarding industry practices, the performance of PG&E as compared to other utilities, and the views of others in the industry. Information that I have received regarding the dig-in rates of other utilities, the practices of PG&E's peers, and the experiences of contractors who deal with PG&E suggests that PG&E's L&M program is performing well by industry standards. This information supports my opinion that PG&E is operating its L&M program in a safe manner.

15. None of this is to say that there will never be another late ticket or that an employee will never commit an error that will result in a dig-in. Industry-wide, late tickets and dig-ins continue to occur. However, it is my view that PG&E is properly managing and mitigating the relevant risks associated with the L&M program and, based on my training and experience, is operating a safe program.

I declare under penalty of perjury of the laws of the state of California that the foregoing is true and correct. Executed on January 14, 2019, at San Ramon, California.


Melvin J. Christopher