

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



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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.

Investigation 18-12-007

**COMMENTS OF THE COALITION OF CALIFORNIA UTILITY
EMPLOYEES ON THE ORDER INSTITUTING INVESTIGATION AND
ORDER TO SHOW CAUSE**

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**COMMENTS OF THE COALITION OF CALIFORNIA UTILITY
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ORDER TO SHOW CAUSE**

Pursuant to Rule 5.2 of the Commission's Rules of Practice and Procedure and the December 14, 2018 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 (OII), the Coalition of California Utility Employees (CUE) submits these comments on the OII.

I. INTRODUCTION

CUE is a coalition of unions whose members work at California gas utilities. The International Brotherhood of Electrical Workers Local Union 1245 (Local 1245) is a member of CUE, represents 12,000 workers at PG&E, including more than 3,000 workers on the gas side of the company, and has firsthand knowledge of the issues raised in the OII. PG&E handles more than one million third party requests to locate and mark underground PG&E facilities prior to excavation. The

Commission's Safety and Enforcement Division alleges that from 2012 through 2017 PG&E falsified records to appear that it timely located and marked gas pipelines.¹ During those years, Local 1245 members processed *more than five million* third party locate and mark requests. In a truly small number of instances when considering a denominator of five million requests, the completion time did not reflect a start-to-finish time, but was paused at some point in the process. This pause was either an act of intentional falsification (SED's position) or an honest misunderstanding of how the time was to be counted, especially when the requesting party told PG&E that it did not need the locate and mark service immediately. Local 1245 contends that there was no intentional falsification of records; rather, there was a misunderstanding of how to process a renegotiation of the time to perform locate and mark work.

II. LOCAL 1245 DISPUTES THE ALLEGATION THAT LOCATE AND MARK TICKETS WERE INTENTIONALLY FALSIFIED

Requests for locate and mark services must be completed within two business days or rescheduled – otherwise, locate and mark tickets are “late.” SED alleges that PG&E intentionally falsified thousands of locate and mark tickets so they would not appear late. Specifically, SED reports that locators falsified locate and mark rescheduling notes to stop the 48-hour clock and avoid late tickets when, according to SED, the time to start the excavations were never renegotiated. SED also reports that the falsifications were due to inherent pressure to have zero late

¹ Investigative Report Into the Operations and Practices of Pacific Gas and Electric Company's Damage Prevention and Locate and Mark Program, Safety and Enforcement Division, December 6, 2018, p. 162.

tickets. Thus, SED concludes that locators intentionally did not follow policy or the law. SED's rush to judgment on this issue is misplaced and Local 1245 disputes SED's allegation for several reasons.

First, SED's use of the term "falsification" is misleading. Incomplete documentation is not falsification, failing to document discussions with an excavator is not falsification of records, mutual agreement reached to renegotiate the start of an excavation but not documenting it is not falsification, missing documentation is not falsification and inaccurate documentation is not necessarily falsification. While these situations are not ideal, SED should not be so quick to call them falsification of records.

Second, not all tickets are the same – some require renegotiation or phasing and some ***cannot*** be performed on time. A ticket for a locate and mark service on Market Street in San Francisco, for example, is obviously different from a request in rural California. Also, for example, during inclement weather the paint used to mark underground facilities does not adhere to wet pavement. Furthermore, not all tickets carry the same risk – if they did, California would not allow homeowners to be exempt from calling 811.

Third, there was simply no motivation for locators to intentionally falsify records. The percentage of on-time versus late locate and mark tags was not a metric that affected the pay of Local 1245 members. Employees were neither rewarded for completing the tags within 48 hours nor punished for not doing so.

Also, the Commission did not and does not require the company to report its completion percentage rate. Simply put, there was no motive, either monetary or disciplinary, for anyone to engage in intentional falsification.

Fourth, over the last several years, Local 1245 members and PG&E have made a concerted effort to reduce the number of third-party “dig-ins” with company gas lines. The vast majority of dig-ins were the result of either third parties failing to request a locate and mark or poor excavating techniques by third parties working on sewer lines, water lines, fencing and landscaping work. Together, Local 1245 and PG&E have substantially reduced the number of third-party dig-ins. Local 1245 members also perform several other measures to prevent dig-ins, including aerial and ground patrolling, pipeline markers and public education. Line locating is not the only way to prevent dig-ins.

Finally, PG&E and Local 1245 have made significant progress with their safety cultures and have implemented dozens of safety initiatives. Since the 2010 San Bruno explosion, PG&E has increased its gas workforce by 55 percent. In 2014, Local 1245 negotiated two new gas classifications that handle nothing but compliance issues — the locate and mark work and gas leak surveys. There are now almost 300 dedicated gas compliance employees doing work that before 2017 was not assigned to a specialized workforce. New and better tools and vehicles have also been introduced, including Picarro technology, pipe replacement, strength testing, automatic and remote-control valves, in-line inspection, SCADA on the distribution system, LNG/CNG capabilities and the gas control center. In addition, the many

new training programs are nationally recognized as the best in class. PG&E's Gas Safety Academy in Winters is recognized as best in class for training. The locating training is certified by the National Utility Locating Contractors Association. In a national competition for locate and mark skills, PG&E's locators were consistent winners and overall won more medals than any other utility. PG&E and Local 1245 are making measurable progress to improve gas safety.

SED should not be so quick to accuse locators of falsifying records. PG&E and Local 1245's top priority is safety. SED's top priority should also be safety – not punishment. SED should embrace a non-punitive, self-reporting framework. For example, the aviation industry implemented Commercial Aviation Safety Team (CAST), a voluntary industry-wide (airlines, manufacturers, airports, pilots, air traffic controllers and the regulator (the FAA)) collaboration focusing on safety. This is a strong and effective safety program that could and should be replicated here.

III. CONCLUSION

PG&E and Local 1245 are dedicated to safety and together they have made significant progress since San Bruno. Local 1245 members have nothing to gain from falsifying locate and mark tickets as on-time and nothing to lose from having late locate and market tickets. Perhaps there was a misunderstanding of how to process a renegotiation of the time to perform locate and mark work, but that does not mean locators intentionally falsified records. SED should not be so quick to accuse locators of falsifying records and should, instead, focus on implementing a non-punitive, self-reporting framework to enhance safety.

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Respectfully submitted,

/s/

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