



National Transportation Safety Board

Washington, D.C. 20594

Office of the Chairman

MAR 29 2011

Mr. Paul Clanon
Executive Director
California Public Utilities Commission
505 Van Ness Avenue, 5th floor
San Francisco, California 94102

APR 01 2011

EXECUTIVE DIRECTOR'S OFFICE

Dear Mr. Clanon:

Thank you for your February 2, 2011, letter, regarding Safety Recommendations P-10-5 through -7, stated below, which the National Transportation Safety Board (NTSB) issued to the California Public Utilities Commission (CPUC) on January 3, 2011, as a result of the NTSB's investigation of the September 9, 2010, natural gas pipeline rupture that occurred in a residential area in the City of San Bruno, California. Safety Recommendations P-10-5 through -7 are urgent recommendations.

P-10-5

Develop an implementation schedule for the requirements of Safety Recommendation P-10-2 (Urgent) to Pacific Gas and Electric Company (PG&E) and ensure, through adequate oversight, that PG&E has aggressively and diligently searched documents and records relating to pipeline system components, such as pipe segments, valves, fittings, and weld seams, for PG&E natural gas transmission lines in class 3 and class 4 locations and class 1 and class 2 high consequence areas that have not had a maximum allowable operating pressure established through prior hydrostatic testing as outlined in Safety Recommendation P-10-2 (Urgent) to PG&E. These records should be traceable, verifiable, and complete; should meet your regulatory intent and requirements; and should have been considered in determining maximum allowable operating pressures for PG&E pipelines.

P-10-6

If such a document and records search cannot be satisfactorily completed, provide oversight to any spike and hydrostatic tests that Pacific Gas and Electric Company is required to perform according to Safety Recommendation (P-10-4).

The NTSB understands that the CPUC directed PG&E and the other California intrastate natural gas transmission operators to undertake a plan of action to comply with P-10-2 by March 15, 2011, and then to complete all steps necessary to ensure the safety and integrity of their gas pipeline systems, as requested. In addition, the CPUC is monitoring or overseeing the

PG&E spike and hydrostatic tests required by Safety Recommendation P-10-4. Accordingly, pending completion of these efforts, Safety Recommendations P-10-5 and -6 are classified "Open—Acceptable Response."

P-10-7

Through appropriate and expeditious means, including posting on your website, immediately inform California intrastate natural gas transmission operators of the circumstances leading up to and the consequences of the September 9, 2010, pipeline rupture in San Bruno, California, and the National Transportation Safety Board's urgent safety recommendations to Pacific Gas and Electric Company so that pipeline operators can proactively implement corrective measures as appropriate for their pipeline systems.

The NTSB is pleased that the CPUC has (1) informed all of California's intrastate natural gas transmission operators of these recommendations and (2) directed the operators to comply with Safety Recommendation P-10-2 to PG&E and to report to the CPUC on the status of their efforts. We are further pleased that, by February 1, 2011, all operators had reported their implementation schedules to the CPUC. We note that the CPUC has posted on its website the NTSB recommendations associated with this accident and the operating companies' actions taken thus far. Because the CPUC's combined actions satisfy the intent of Safety Recommendation P-10-7, it is classified "Closed—Acceptable Action."

Thank you for your prompt action. The NTSB would appreciate receiving periodic updates as action continues to address Safety Recommendations P-10-5 and -6. If you would like to submit your response electronically rather than in hard copy, you may send it to the following e-mail address: correspondence@ntsb.gov. If your response includes attachments that exceed 5 megabytes, please e-mail us at the same address for instructions on how to use our secure mailbox. To avoid confusion, please use only one method of submission (that is, do not submit both an electronic copy and a hard copy of the same response).

Sincerely,



Deborah A.P. Hersman
Chairman