



MONTARA WATER & SANITARY DISTRICT

Serving the Communities of Montara and Moss Beach

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October 23, 2013

The Honorable Jerry Hill

1528 South El Camino Real,
Suite 303
San Mateo, CA 94402

RE: SUMMARY OF PG&E GAS PIPES CONFLICTING WITH GRAVITY FLOW SEWER PIPES IN
MONTARA AND MOSS BEACH

Dear Senator Hill:

I would like to thank you on behalf of the Montara Water and Sanitary District for your ongoing involvement and concerns regarding PG&E gas line failures. Please consider the below summary of the District's experience as an example of how faulty gas line installations affect communities on many levels.

Over the past decade, the Montara Water and Sanitary District (MWSD) has encountered a number of challenges during capital improvement projects due to conflicting installations with the existing District sewers and recently installed PG&E natural gas mains and services. The Montara area was upgraded about 15 years ago by PG&E using a directional boring or moling method of gas main and service installation. Unfortunately it appears that much of that work by PGE or PGE's subcontractor may have been completed without adequate real time monitoring or verification that their pipes did not adversely affect gravity flow pipes.

There have been at least two installations of PG&E gas mains that broke and penetrated the District sewer pipes. In one location, the District's main was broken but not repaired to district

standard. In fact, the attempted repair consisted of wrapping an orange traffic cone around the damaged section and burying the problem without notification.

Additionally, the drilling or moling equipment used in the process of installing gas mains tends to follow softer ground. In many cases PG&E mains and service laterals wander into the same trench as the gravity sewer pipe, running parallel with virtually no separation for long distances. This close proximity prevents the district from pipe bursting the sewer lines due to risk of damaging PG&E's pipes. The result is a significant increase in capital expense for the District. The cost to locate, open cut, and relocate the District sewers adds additional cost in the order of 50% to each sewer replacement project. Because the whole extent of the problem is unknown, this has significant ramifications on the long term capital planning and rates for District customers.

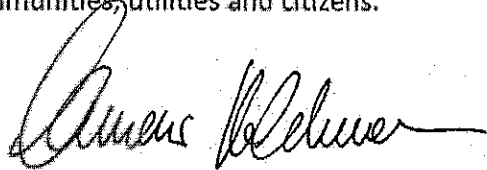
The situation is particularly difficult to manage when it occurs where gas service laterals approach privately owned sewer laterals. Unsuspecting home owners or plumbers may damage the gas feed pipe during lateral repair work on private properties.

The problem of installed gas facilities conflicting with gravity sewer or storm drain pipes has a significant potential for serious public safety risk due to gas leaks during the rehabilitation work. The actual construction site is not the only area of concern. Gas can also leak unknowingly into sewers and migrate into a home causing an explosion when the gas finds a pilot light or a flick of a light switch.

Two years ago MWSD contacted the PG&E Cross Bore program. We were referred to a PG&E subcontractor for scheduling TV inspections of gravity pipes and to assist with gas locations in the area to quantify this problem. Despite repeated phone calls no attempt had ever been made by PGE to follow up with MWSD's requests for assistance to schedule inspections.

Please continue your efforts to improve PG&E's communication and responsiveness to impacted communities, utilities and citizens.

Sincerely,



Clemens Heldmaier

General Manager

Montara Water and Sanitary District

CC: MWSD President