

# California Utility Convicted of Criminal Negligence in Gas Explosion that Killed 8



Criminal charges for serious workplace safety incidents can be brought in Canada and the US. Although such charges are uncommon in both countries, they've been used more often recently. For example, in Canada, criminal negligence or so-called 'C-45 charges' were brought:

- In Dec. 2015 against a company and a manager for an explosion at a plant in Ontario that killed one worker and injured five others
- In May 2015 for the death of a young worker on her second day at a quarry in BC
- In May 2014 in the derailment and explosion of 72 cars of crude oil near downtown Lac-Mégantic, Québec.

And in the US, on Aug. 9, 2016, a federal jury convicted California's major utility company, Pacific Gas and Electric, on five counts of criminal negligence and one count of obstruction of an investigation as to the 2010 gas pipeline explosion that killed eight people and injured 58, destroyed 38 homes and damaged 70 others.

As reported in the New York Times, Pacific Gas and Electric, now faces a maximum fine of \$6 million. It has already paid more than \$1.7 billion in fines and restitution.

Two investigations, by the National Transportation Safety Board and the California Public Utilities Commission, faulted the company for management lapses and a preoccupation with profits over safety.

The NTSB investigation found that the rupture had occurred in a spot where workers installed substandard pipes in 1956. It faulted the company for taking an hour to shut off the gas after the explosion and said the slow response was particularly worrying given the possibility of earthquakes in the area. (The San Andreas fault runs not far from the pipeline.)

The Commission concluded that Pacific Gas and Electric had a corporate culture that emphasized 'profits over safety' and that it had kept shoddy records of its pipelines.

Records entered as evidence at the criminal trial showed that the utility had cut its budget for pipeline inspection by 26% in 2009, the year before the explosion. The prosecution also showed an internal document from 2008 that said profits were the company's top priority; safety was fifth or last.