

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



January 20, 2011

Mr. Peter Guadagni
Island Energy
440 Walnut Ave.
Mare Island, CA 94592_0001

CPUC File No. EA2010-23

SUBJECT: General Order 95, 128, & 165 Audit of Island Energy

Dear Mr. Guadagni

On behalf of the Utility Safety and Reliability Branch of the California Public Utilities Commission, Kenneth How and I conducted an audit of Island Energy electrical distribution systems on July 21, 22 & 23, 2010. The audit included a review of Island Energy's maintenance program for compliance with General Orders 95 and 128.

During the audit, we identified violations of one or more General Orders. A copy of the audit summary itemizing the violations is enclosed. By February 18, 2011 advise me of all corrective measures planned or taken by Island Energy regarding the violation(s) and the date on which they are to be corrected or were corrected.

If you have any questions, please contact me at (415) 703-1555.

Sincerely,

A handwritten signature in black ink, appearing to read "George E. Carter".

George E. Carter
Utilities Engineer
Utilities Safety and Reliability Branch
Consumer Protection and Safety Division

Enclosure: Appendix A (5 pgs)

Copy:

Steve Moore – Island Energy

APPENDIX A

This section lists the GO 95 and GO 128 violations that were identified during the office portion of the audit. If the violations contained in this section were present during last inspection the violations should have been either identified for corrective action or corrected during the inspections.

1.	Location:	Main Office, 440 Walnut Ave Mare Island, CA
	Date of CPUC Inspection:	July 22/23, 2010
	Explanation of Violation(s):	
	<p>GO 95, Rule 31.2 This rule states:</p> <p style="text-align: center;"><i>Lines shall be inspected frequently and thoroughly for the purpose of insuring that they are in good condition so as to conform with these rules. Lines temporarily out of service shall be inspected and maintained in such condition as not to create a hazard.</i></p> <p>GO 128, Rule 17.2 This rule states:</p> <p style="text-align: center;"><i>Systems shall be inspected by the operator frequently and thoroughly for the purpose of insuring that they are in good condition and in conformance with all applicable requirements these rules</i></p> <p>During our audit, we found that Island Energy does not thoroughly inspect its facilities and document all General Order (GO) 95 and 128 violations.</p>	

2	Location:	Main Office, 440 Walnut Ave Mare Island, CA
	Date of CPUC Inspection:	July 22/23, 2010
	Explanation of Violation(s):	
	<p>GO 95, Rule 31.2 This rule states:</p> <p style="text-align: center;"><i>Lines shall be inspected frequently and thoroughly for the purpose of insuring that they are in good condition so as to conform with these rules. Lines temporarily out of service shall be inspected and maintained in such condition as not to create a hazard.</i></p> <p>GO 128, Rule 17.2 This rule states:</p> <p style="text-align: center;"><i>Systems shall be inspected by the operator frequently and thoroughly for the purpose of insuring that they are in good condition and in conformance with all applicable requirements these rules.</i></p> <p>During our audit, we found that Island Energy had a quarterly scheduled electrical maintenance plan but detail attributes were not covered and accountability of Island Energy assets was sketchy. Island Energy recognized these deficient conditions and has hired a engineering contractor, Electric, Engineer, Testing Services (EETS, Inc.) out of Sacramento, CA to develop detail data sheets and oversee the development of a site validated Island Energy asset listing. This effort by EETS was scheduled to complete by the forth quarter of 2010 but the present schedule shows completion to be at the end of first quarter of 2011.</p>	

This section lists the GO 95 and GO 128 violations that were identified during the field portion of the audit. The locations that were audited had been inspected by Island Energy within the last year. If the violations contained in this section were present during last inspection the violations should have been either identified for corrective action or corrected during the inspections.

1.	Location:	20 Poles, PlatPlan K-1 North End of Island Mare Island, CA
	Date of CPUC Inspection:	July 22/23, 2010
	Explanation of Violation(s):	<p>GO 95, Rule 51.6A: This rule states:</p> <p style="text-align: center;"><i>Poles which support line conductors of more than 750 volts shall be marked with high voltage signs.</i></p> <p>None of these 20 poles had high voltage signs.</p>
2.	Location:	20 Poles, PlatPlan K-1 North End of Island Mare Island, CA
	Date of CPUC Inspection:	July 22/23, 2010
	Explanation of Violation(s):	<p>GO 95, Rule 36.1: This rule states:</p> <p style="text-align: center;"><i>Lines or portions of lines permanently abandoned shall be removed by their owners so that such lines shall not become a public nuisance or a hazard to life or property.</i></p> <p>Each of the 20 poles had one or more of the following: abandoned hardware, abandoned steps, or abandoned electric boxes.</p>

3.	Location:	50 Poles, PlatPlans A-1, AA-1, AA-2, AA-3 South End of Island Mare Island, CA
	Date of CPUC Inspection:	July 22/23, 2010
	Explanation of Violation(s):	
	GO 95, Rule 36.1: This rule states: <i>Lines or portions of lines permanently abandoned shall be removed by their owners so that such lines shall not become a public nuisance or a hazard to life or property.</i>	Pole number PA32 had an abandoned transformer.
4.	Location:	599 Tisdale Mare Island, CA
	Date of CPUC Inspection:	July 22/23, 2010
	Explanation of Violation(s):	
	GO 128, Rule 35.3: This rule states: <i>Warning signs indicating high voltage shall be installed on the interior surface, or barrier if present, inside the entrance of vaults, manholes, handholes,... containing exposed live parts above 750 volts.</i>	The SSEE containing T-4020 did not have the proper signage.

5.	Location:	340 Crisp Ave Mare Island, CA
	Date of CPUC Inspection:	July 22/23, 2010
Explanation of Violation(s):		
<p>GO 128, Rule 35.3 This rule states:</p> <p style="text-align: center;"><i>Warning signs indicating high voltage shall be installed on the interior surface, or barrier if present, inside the entrance of vaults, manholes, handholes, ... containing exposed live parts above 750 volts.</i></p> <p>The SSEE containing T-4019 did not have the proper signage.</p>		