

PUBLIC UTILITIES COMMISSION

320 WEST 4TH STREET, SUITE 500
LOS ANGELES, CA 90013



July 29, 2026

Greg Jans
Plant Manager
Midway Sunset Cogeneration Company
3466 West Crocker Springs Road
Fellows, CA 93224

**SUBJECT: General Order (GO) 167-C Audit of Midway Sunset Cogeneration Company,
Audit Number GA2026-07MS**

Dear Greg Jans:

On behalf of the Electric Safety and Reliability Branch (ESRB) of the California Public Utilities Commission (CPUC), Evan Coughran, Emmanuel Salas, Emanuel Herrera Pineda, Jose Chavez, and Daniel La Bella of ESRB staff conducted a generation audit of Midway Sunset Cogeneration from June 15 through June 19, 2026.

During the audit, ESRB observed plant operations, inspected equipment, reviewed data, interviewed plant staff, and identified potential violations of General Order (GO) 167-C. A copy of the audit findings itemizing the violations is attached. Please advise me by email no later than August 28, 2026, by providing an electronic copy of all corrective actions and preventive measures taken and/or planned to be taken to resolve the violations.

Your response should include a Corrective Action Plan with a description and completion date of each action and measure completed. For any violations not corrected, please provide the projected completion dates to correct the violations and achieve full compliance with GO 167-C.

Please submit your response to Evan Coughran at evan.coughran@cpuc.ca.gov. Please note that although Midway Sunset Cogeneration has been given 30 days to respond, it has a continuing obligation to comply with all applicable GO 167-C requirements; therefore, the response period does not alter this continuing duty.

The CPUC intends to publish the audit report of Midway Sunset Cogeneration on the CPUC website. If you wish to make a claim of confidentiality covering any of the information in the report, you may submit a confidentiality request pursuant to Section 14.4 of GO 167-C, using the heading "General Order 167-C Confidentiality Claim" along with such redactions. The request and redacted version of the audit report should be sent to Evan Coughran with a copy to me and the GO-167 inbox GO167@cpuc.ca.gov by August 28, 2026.

Please note that ESRB will also post the Midway Sunset Cogeneration audit report response on the CPUC website. If there is any information in your response that you would like us to consider as confidential, we request that in addition to your confidential response, you provide us with a redacted version of your audit response that can be posted on the CPUC website.

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Thank you for your courtesy and cooperation throughout the audit process. If you have any questions concerning this audit, please contact Evan Coughran at evan.coughran@cpuc.ca.gov or (213) 819-6803.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Hur", is written over a horizontal line.

Stephen Hur, P.E.
Program and Project Supervisor
Electric Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission

Attachment: CPUC Generation Audit Findings

Cc: Lee Palmer, Deputy Executive Director of Safety and Enforcement Division, Safety Policy and Water, CPUC
Koko Tomassian, Director, Safety Enforcement Division (SED), CPUC
Eric Wu, Program Manager, ESRB, SED, CPUC
Banu Acimis, Program and Project Supervisor, GESS – North, ESRB, SED, CPUC
Evan Coughran, Utilities Engineer, ESRB, SED, CPUC
Emmanuel Salas, Utilities Engineer, ESRB, SED, CPUC
Emanuel Herrera Pineda, Utilities Engineer, ESRB, SED, CPUC
Jose Chavez, Utilities Engineer, ESRB, SED, CPUC
Daniel La Bella, Public Utilities Regulatory Analyst, ESRB, SED, CPUC

CPUC AUDIT FINDINGS OF Midway Sunset Cogeneration June 15 – June 19, 2026

I. Findings Requiring Corrective Actions.

Finding 1: Issues identified during internal inspections not being properly addressed.

General Order (GO) 167-C, Appendix C, Maintenance Standard (MS) 1: Safety states:

“The protection of life and limb for the work force is paramount. The company behavior ensures that individuals at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment, and the policies and procedures foster such a safety culture, and the attitudes and behaviors of individuals are consistent with the policies and procedures.”

GO 167-C, Appendix C, MS 4: Problem Resolution and Continuing Improvement states:

“The company values and fosters an environment of continuous improvement, timely and effective problem resolution, and problem prevention. This can be accomplished by applying industry best practices, lessons learned, and proven safety measures for the safety and reliability of both the GA and ESS.”

GO 167-C, Appendix C, MS 10: Work Management states:

“Work is identified and selected based on priority to maintaining reliable facility operation. Work is planned, scheduled, coordinated, controlled, and supported with resources for safe, timely, and effective completion.”

GO 167-C, Appendix C, MS 14: Engineering and Technical Support states:

“Engineering and technical support activities are conducted such that equipment performance is optimized for reliable facility operation. Engineering and technical support implements industry best practices, lessons learned, proven safety measures, and technical information necessary for the facility to be operated and maintained within the operating parameters defined by facility design.”

During the documentation review, Electric Safety and Reliability Branch (ESRB) inspectors identified multiple instances where deficiencies documented through engineering studies, predictive maintenance activities, contractor inspections, and internal audits were not consistently documented or tracked through the work management system. Engineering assessments and inspection programs are intended to identify deteriorating equipment conditions before they affect plant reliability. Without formal evaluation and corrective action tracking, the facility cannot demonstrate that identified deficiencies have been prioritized, addressed, or resolved.

ESRB inspectors reviewed transformer electrical study reports and observed that several breakers were identified with abnormal conditions. Although the reports documented that site personnel had been notified of the findings, no records were available demonstrating that the deficiencies had been evaluated, entered into the work management system, or tracked to completion. Similarly, review of third-party infrared (IR) inspection reports identified Electrical Problem #E5, documenting an abnormal heat pattern on the Bus Duct East Face for Unit B. When questioned regarding the status of the deficiency, plant personnel were unable to determine whether repairs had been completed or whether the issue remained outstanding and stated they would need to search for the associated work order. In addition, review of transformer oil analysis records identified repeated unacceptable Liquid Power Factor results for transformer EE-0-21D in 2023, 2025, and 2026, with a questionable result in 2024. Despite these repeated abnormal condition indicators, no work orders, engineering evaluations, corrective action records, or follow-up documentation were available demonstrating that the condition had been evaluated or addressed. Collectively, these observations indicate that deficiencies identified through engineering studies and predictive maintenance activities are not consistently entered into the work management system and tracked through completion.

ESRB inspectors also reviewed internal audit records and observed that a previous internal audit identified a missing 4-foot ladder (Asset #160591234). During the audit, plant personnel were unable to determine whether the ladder had been located and later stated that the asset number likely belonged to a contractor and had been mistakenly entered into the facility inventory. While the issue may ultimately be an inventory record error rather than missing equipment, the finding demonstrates that internal audit observations were not fully investigated or documented to closure. Internal audit findings should be evaluated, resolved, and documented to ensure facility records accurately reflect current plant conditions.

Midway Sunset Cogeneration must implement a formal process to ensure that deficiencies identified through engineering studies, predictive maintenance activities, contractor inspections, and internal audits are evaluated, documented, entered into the work management system when corrective action is required, and tracked through completion. The facility must also review previously identified deficiencies to verify they have been appropriately resolved or formally dispositioned and maintain documentation demonstrating management review and final closure.

Finding 2: Procedures and documentation need to be updated to match plant conditions and actions.

GO 167-C, Appendix C, MS 8: Maintenance Procedures and Documentation states:

“Maintenance procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures must be current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid.”

GO 167-C, Appendix D, Operation Standard (OS) 7: Operation Procedures and Documentation states:

“Operation step wise procedures exist for critical systems and the states of those systems are necessary for the operation of the unit including startup, shutdown, charging, discharging, normal operation, failure detection, alarm response, reasonably anticipated abnormal and emergency conditions, and restoration. Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid. Procedure shall be reviewed annually to ensure current procedures are up-to-date and OEM recommendations are implemented”

GO 167-C, Appendix D, OS 13: Routine Inspections states:

“Routine inspections by facility personnel ensure that all areas and critical parameters of facility operations are continually monitored, equipment is operating normally, and that routine maintenance is being performed. Results of data collection and monitoring of parameters during routine inspections are utilized to identify and resolve problems, to improve facility operations, and to identify the need for maintenance. All personnel are trained in the routine inspection procedures relevant to their responsibilities. Among other things, each GAO or ESSO creates, maintains, and implements routine inspections by:

- a) Identifying systems and components critical to system operation such as, but not limited to, those listed in the guidelines to Operating Standard 28.*
- b) Establishing procedures for routine inspections that define critical parameters of these systems, describe how those parameters are monitored, and delineate what action is taken when parameters meet alert or action levels.*
- c) Training personnel to conduct routine inspections.*
- d) Monitoring and conducting trend analysis from routine inspections.”*

GO 167-C, Appendix D, OS 20: Preparedness for On-Site and Off-Site Emergencies states:

“The GAO or ESSO plans for, prepares for, and responds to reasonably anticipated emergencies on and off the plant site, primarily to protect facility personnel and the public, and secondarily to minimize damage to maintain the reliability and availability of the facility. Among other things, the GAO or ESSO:

- a) Plans for the continuity of management and communications during emergencies, both within and outside the facility;*
- b) Trains personnel in the emergency plan periodically;*
- c) Ensures provision of emergency information and materials to personnel;*
- d) In developing any emergency plans, the GAO and ESSO will coordinate with local emergency management agencies, unified program agencies, and local first response agencies; and*

e) The owner or operator of each ESS facility shall develop and submit an emergency response and emergency action plan for the ESS that complies with Public Utilities Code, Section 761.3, subdivision (g). The owner or operator of the ESS facility shall submit the emergency response and emergency action plan to the county, local emergency management agencies, local first response agencies, and if applicable, the Authority Holding Jurisdiction (AHJ) and the city where the facility is located.”

During the documentation review, ESRB inspectors identified multiple deficiencies indicating that Midway Sunset Cogeneration's controlled procedures, engineering documents, and training programs are not being routinely reviewed or maintained to reflect current plant conditions, regulatory requirements, and actual site practices. Controlled documentation serves as the foundation for safe operation, maintenance, emergency preparedness, environmental compliance, and employee training. When documents are outdated or no longer reflect actual field conditions, personnel may rely on inaccurate information when performing work, responding to emergencies, or carrying out regulatory responsibilities.

ESRB inspectors reviewed the Spill Prevention, Control, and Countermeasure (SPCC) Plan and observed that the Potential Spill Sources and Container Identification Table contains outdated equipment information. Several transformer oil capacities did not match the equipment currently installed at the facility, and the plan did not include current CPUC contact information. Accurate SPCC documentation is necessary to support spill response planning, regulatory notifications, and proper evaluation of potential spill sources. Failure to maintain current equipment inventories and contact information reduces the effectiveness of the plan during an emergency.

ESRB inspectors also reviewed the Hot Work Permit Procedure and observed that Section 4.3.1.2 requires only a 30-minute post-work cleanup period following completion of hot work activities. Current fire protection practices require a minimum of 60-minute fire watch following completion of hot work unless an alternate duration is approved by the Authority Having Jurisdiction (AHJ). Maintaining an outdated procedural requirement increases the potential that residual ignition sources may not be identified before personnel leave the work area.

Additionally, ESRB inspectors observed that Piping and Instrumentation Diagrams (P&IDs) no longer accurately reflect the current plant configuration. Examples included capped feedwater inlet piping on the Heat Recovery Steam Generator (HRSG) units, removed pumps located near the demineralized water tank, and the hydrogen excess flow valve installed on the hydrogen storage system. Accurate engineering drawings are essential to support maintenance planning, troubleshooting, system modifications, isolation activities, and emergency response. Personnel relying on outdated drawings may not have an accurate understanding of system configuration while performing work.

ESRB inspectors also reviewed the endangered species training video and observed that the training video contains outdated regulatory information. Specifically, the training continues to identify Hoover's woolly star as a federally listed endangered species despite the species having

been removed from the federal endangered species list following successful recovery. Site materials should accurately reflect current environmental regulations to ensure personnel understand applicable protection requirements and avoid confusion regarding regulatory obligations during facility operations and maintenance activities.

Review of the Injury and Illness Prevention Plan (IIPP) also identified multiple instances where the facility was not implementing the program as written. Required safety inspections documented using Attachments 1 and 2 were not completed, monthly housekeeping and safety inspection documentation was not maintained, quarterly Environmental Health and Safety (EH&S) Committee meetings were not conducted or documented regularly, and required agendas and meeting minutes were unavailable. Inspectors also found that annual and monthly training requirements were not consistently documented, including incomplete records for required safety topics and the absence of a structured annual training agenda. Although personnel have informally assumed EH&S responsibilities, the responsibilities established within the IIPP are not being implemented in accordance with the written program. These observations indicate that the IIPP no longer reflects actual site practices and is not being consistently followed.

Collectively, these deficiencies demonstrate that Midway Sunset Cogeneration's document control and periodic review process is not effectively ensuring that plant procedures, engineering documents, emergency plans, environmental programs, and employee training materials remain current, technically accurate, and consistent with actual facility practices.

Midway Sunset Cogeneration must conduct a comprehensive review of all controlled procedures, engineering documents, emergency response documentation, environmental plans, and training materials to ensure they accurately reflect current facility conditions, regulatory requirements, and plant practices. The facility must update the SPCC Plan, revise the Hot Work Permit Procedure to incorporate current fire watch requirements, update affected P&IDs to reflect the existing plant configuration, revise endangered species training materials to reflect current regulatory classifications, and review and revise the IIPP to ensure program requirements are either fully implemented or formally updated to reflect actual site practices. Midway Sunset Cogeneration must implement a formal periodic document review process to ensure future equipment modifications, procedural revisions, regulatory changes, and organizational changes are incorporated into controlled documents in a timely manner. Updated procedures, plans, engineering documents, and training materials must be submitted to ESRB for review and verification.

Finding 3: Work management system requires improvement.

GO 167-C, Appendix C, MS 7: Balance of Maintenance Approach states:

“The maintenance program includes the proper balance of the various approaches to maintenance, e.g., preventive, predictive, or corrective. The approach is adequately documented with consideration of economics and reliability of equipment or components, and their effect on reliable operation of the unit. Operating experience is factored into the program. Maintenance procedures and

documents should include the generation and/or ESS equipment, and all components owned and operated by the ESSO/GAO directly connected to the plant. All integral parts of delivering power to the grid (e.g. fuel supply systems, electrical switchyards, transmissions lines, control systems, penstocks, flumes, heating and cooling systems, exhaust system, communications systems, etc.) are included.”

GO 167-C, Appendix C, MS 8: Maintenance Procedures and Documentation states:

“Maintenance procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures must be current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid.”

GO 167-C, Appendix C, MS 9: Conduct of Maintenance states:

“Maintenance is conducted in an effective and efficient manner, so equipment performance and material condition effectively support reliable facility operation.”

GO 167-C, Appendix C, MS 10: Work Management states:

“Work is identified and selected based on priority to maintaining reliable facility operation. Work is planned, scheduled, coordinated, controlled, and supported with resources for safe, timely, and effective completion.”

ESRB inspectors observed multiple deficiencies with the implementation and management of the work order management system at Midway Sunset Cogeneration. The work management system is intended to provide an accurate record of equipment condition, maintenance history, and corrective actions. The conditions identified during the audit indicate that the system does not accurately reflect the current maintenance status of the facility and limits its effectiveness as a maintenance management tool. ESRB inspectors observed that the work management system contains more than 2,000 overdue preventive maintenance work orders and more than 900 corrective maintenance work orders. Review of the backlog also identified duplicate work orders for the same deficiency, including duplicate work orders documenting oil residue at a drain plug. In addition, preventive maintenance work orders are being automatically generated on an annual basis even though the associated maintenance activity is only required every three years. These conditions unnecessarily increase the maintenance backlog, reduce the ability to effectively prioritize work, and make it more difficult to identify actual outstanding maintenance needs.

ESRB inspectors also identified work orders containing inaccurate or incomplete descriptions of the work being performed. For example, work orders associated with the cathodic protection system described work being performed at a single cathodic protection station when the maintenance activity actually applied to the entire cathodic protection system. Accurate work order descriptions are necessary to maintain complete equipment history, support future maintenance planning, and ensure personnel clearly understand the scope of completed and pending work. Additionally, corrective maintenance activities had been completed in the field,

but the associated work orders remained open within the work management system. Open work orders for completed work also reduce the accuracy of maintenance records, inflate the maintenance backlog, and prevent the work management system from accurately reflecting current plant conditions.

Finally, ESRB inspectors identified work orders that did not contain attached Job Safety Analyses (JSAs), despite Work Authorization Program Section 4.1.9.2 requiring completed JSAs to be included with the associated work order. Failure to maintain required JSA documentation reduces traceability of pre-job hazard assessments and demonstrates that established work authorization requirements are not being consistently followed.

The combined deficiencies indicate that the work management system is not being effectively maintained or utilized as the facility's primary tool for planning, tracking, documenting, and closing maintenance activities.

Midway Sunset Cogeneration must conduct a comprehensive review of its work management system to ensure work orders accurately reflect current plant conditions. The facility must eliminate duplicate work orders, correct inaccurate work order descriptions, ensure preventive maintenance frequencies align with approved maintenance requirements, promptly close completed work orders, and verify that all required documentation, including completed JSAs, are attached to the associated work orders. Midway Sunset Cogeneration must implement a management review process to periodically verify the accuracy of the work management system and provide ESRB with a corrective action plan describing how the identified deficiencies and work order backlog will be addressed.

Finding 4: Failure to complete Internal Audits and Inspections on time.

GO 167-C, Appendix C, MS 4: Problem Resolution and Continuing Improvement states:

“The company values and fosters an environment of continuous improvement, timely and effective problem resolution, and problem prevention. This can be accomplished by applying industry best practices, lessons learned, and proven safety measures for the safety and reliability of both the GA and ESS.”

GO 167-C, Appendix C, MS 7: Balance of Maintenance Approach states:

“The maintenance program includes the proper balance of the various approaches to maintenance, e.g., preventive, predictive, or corrective. The approach is adequately documented with consideration of economics and reliability of equipment or components, and their effect on reliable operation of the unit. Operating experience is factored into the program. Maintenance procedures and documents should include the generation and/or ESS equipment, and all components owned and operated by the ESSO/GAO directly connected to the plant. All integral parts of delivering power to the grid (e.g. fuel supply systems, electrical switchyards, transmissions lines, control systems, penstocks, flumes, heating and cooling systems, exhaust system, communications systems, etc.) are

included.”

GO 167-C, Appendix C, MS 10: Work Management states:

“Work is identified and selected based on priority to maintaining reliable facility operation. Work is planned, scheduled, coordinated, controlled, and supported with resources for safe, timely, and effective completion.”

GO 167-C, Appendix C, MS 9: Conduct of Maintenance states:

“Maintenance is conducted in an effective and efficient manner, so equipment performance and material condition effectively support reliable facility operation.”

GO 167-C, Appendix D, OS 13: Routine Inspections states:

“Routine inspections by facility personnel ensure that all areas and critical parameters of facility operations are continually monitored, equipment is operating normally, and that routine maintenance is being performed. Results of data collection and monitoring of parameters during routine inspections are utilized to identify and resolve problems, to improve facility operations, and to identify the need for maintenance. All personnel are trained in the routine inspection procedures relevant to their responsibilities. Among other things, each GAO or ESSO creates, maintains, and implements routine inspections by:

- a) Identifying systems and components critical to system operation such as, but not limited to, those listed in the guidelines to Operating Standard 28.*
- b) Establishing procedures for routine inspections that define critical parameters of these systems, describe how those parameters are monitored, and delineate what action is taken when parameters meet alert or action levels.*
- c) Training personnel to conduct routine inspections.*
- d) Monitoring and conducting trend analysis from routine inspections.”*

During the documentation review, ESRB inspectors identified multiple instances where required audits, inspections, and preventive maintenance activities were not completed at the frequencies established by site procedures and maintenance programs. These activities are intended to verify equipment condition, identify developing deficiencies, confirm compliance with site programs, and ensure equipment continues to operate safely and reliably. Failure to complete required audits and maintenance reduces management oversight, limits the facility's ability to identify equipment degradation in a timely manner, and increases the risk that deficiencies will remain uncorrected.

ESRB inspectors observed that the Q3 2025 and Q1 2026 quarterly clearance audits required by the Job Safety Analysis (JSA) Program were not completed. These audits are intended to verify that clearance activities are performed in accordance with established procedures and to identify opportunities for continuous improvement. Failure to perform the required audits reduces management oversight of the clearance program and limits the facility's ability to identify

procedural deficiencies, verify compliance, and implement corrective actions before recurring issues develop.

Review of maintenance records also identified multiple preventive maintenance activities that were not completed at the required frequency. The procedure for testing generator liquid level switches, which is required annually, was not consistently followed. For example, Unit A was missing testing records for 2022 and 2023. Additionally, required monthly hydrogen leak inspections were not consistently performed, with Unit B missing inspections from September through December 2025. These missed maintenance activities reduce confidence that critical equipment is being routinely monitored and maintained and increase the likelihood that abnormal operating conditions may go undetected.

ESRB inspectors further reviewed oil analysis records and observed that equipment oil sampling, historically performed on a semi-annual basis, was conducted only once during 2025. Previous oil analysis reports also recommended a shortened sampling interval based on equipment condition. However, the increased sampling frequency was not implemented. Oil analysis is a predictive maintenance tool used to identify equipment degradation before failure occurs. Extending sampling intervals beyond those recommended reduces the effectiveness of the predictive maintenance program and increases the potential for developing equipment issues to remain undetected.

Additionally, ESRB inspectors found that Midway Sunset Cogeneration was not performing the annual confined space permit audits required by Confined Space Procedures, Section 4.5.2. These audits are intended to review confined space permits issued during the previous year and evaluate the effectiveness of the confined space program. Inspectors also observed that Confined Space Entry Attachment 4 did not include the required maximum temperature limit of 75°F above ambient, instead displaying "xx" in its place. These observations demonstrate that the confined space program is not being periodically reviewed and maintained in accordance with established procedures.

Midway Sunset Cogeneration must review its audit, inspection, and preventive maintenance programs to ensure all required activities are completed at the frequencies established by site procedures and maintenance schedules. Midway Sunset Cogeneration must complete required clearance and confined space audits, perform preventive maintenance and predictive maintenance activities as scheduled, update Confined Space Entry Attachment 4 to reflect current program requirements, and implement a management review process to verify that required audits, inspections, and maintenance activities are completed, documented, and tracked in a timely manner.

Finding 5: Inadequate labeling of hazardous material throughout site.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s

behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 8: Plant Status and Configuration states:

“Facility activities are effectively managed, so the facility status and configuration are maintained to support safe, reliable, and efficient operation.”

GO 167-C, Appendix D, OS 11: Operations Facilities, Tools, and Equipment states:

“Facilities and equipment are adequate to effectively support operations activities, including housekeeping, tool storage, and equipment storage. Physical separation such as, but not limited to, egress requirements, clearance for electrical equipment, and ESS equipment shall be maintained.”

GO 167-C, Appendix D, OS 13: Routine Inspections states:

“Routine inspections by facility personnel ensure that all areas and critical parameters of facility operations are continually monitored, equipment is operating normally, and that routine maintenance is being performed. Results of data collection and monitoring of parameters during routine inspections are utilized to identify and resolve problems, to improve facility operations, and to identify the need for maintenance. All personnel are trained in the routine inspection procedures relevant to their responsibilities. Among other things, each GAO or ESSO creates, maintains, and implements routine inspections by:

- a) Identifying systems and components critical to system operation such as, but not limited to, those listed in the guidelines to Operating Standard 28.*
- b) Establishing procedures for routine inspections that define critical parameters of these systems, describe how those parameters are monitored, and delineate what action is taken when parameters meet alert or action levels.*
- c) Training personnel to conduct routine inspections.*
- d) Monitoring and conducting trend analysis from routine inspections.”*

During the field inspection, ESRB inspectors observed multiple deficiencies related to container labeling at Midway Sunset Cogeneration. Proper labeling of hazardous waste containers, storage drums, and compressed gas cylinders is necessary to ensure personnel and first responders can readily identify container contents and status, facilitate emergency response, and maintain compliance with regulatory requirements. Inadequate container labeling may result in improper handling, delays during emergency response, and increased uncertainty regarding the materials present at the facility.

ESRB inspectors observed that a hazardous waste accumulation container was missing the required accumulation start dates. The accumulation start date is necessary to document when

hazardous waste begins accumulating and to demonstrate compliance with hazardous waste storage time limits. During the audit, Midway Sunset Cogeneration personnel updated the containers with the required accumulation start dates. The facility must ensure that hazardous waste container labeling is routinely reviewed and maintained to prevent similar deficiencies.



Figure 1: Left before without accumulation date. Right with added accumulation date added during the audit.

ESRB inspectors also observed that several empty barrels were not labeled to indicate they were empty, creating uncertainty regarding their contents and prior use. Personnel could not readily determine whether the containers were empty, contained residual material, or were designated for future use. Prior to the conclusion of the audit, Midway Sunset Cogeneration personnel labeled the empty barrels to indicate their status. The facility must ensure that storage containers remain properly identified through routine inspections and housekeeping activities.



Figure 2: Left barrels found unmarked. Right with empty labels during the audit.

Additionally, ESRB inspectors observed that sulfur hexafluoride SF₆ cylinders located in the switchyard were not labeled. SF₆ is a specialized insulating gas used in electrical equipment, and

cylinders should be clearly identified to ensure personnel and first responders can readily recognize their contents during routine operations, maintenance activities, and emergency response. Missing cylinder identification may create confusion during emergency situations and increase the likelihood of improper handling or delayed response.

Midway Sunset Cogeneration must ensure that all hazardous waste containers, storage drums, and compressed gas cylinders are properly labeled and maintained. The facility must implement routine inspections to verify that required labels remain present, accurate, and legible.



Figure 3: Unmarked SF6 gas cylinder in substation.

Finding 6: Inconsistent fire suppression system maintenance records.

GO 167-C, Appendix C, MS 8: Maintenance Procedures and Documentation states:

“Maintenance procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures must be current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid.”

GO 167-C, Appendix C, MS 17: Equipment History states:

“Maintenance standards or procedures clearly define requirements for equipment history for the systems and equipment, including, what information or data to collect, how to record data, and how the data are to be used.”

During the inspection, ESRB inspectors reviewed the fire suppression system maintenance records for Units A, B, and C. The semi-annual Halon and CO2 inspection sheets for Units B and C consistently showed “Pass” results from 2023 to 2026. Although there were no issues noted in

Units A documents, one specific, results line in the CO2 document was marked as N/A for each year from 2023 to 2026. Midway Sunset Cogeneration staff stated that the contractor responsible for servicing the system would note if deficiencies were identified. While this might be the case, it remains essential that maintenance records clearly and accurately reflect the status of the fire suppression system. A recurring “N/A” entry for the same Unit A line item across multiple years introduces uncertainty regarding whether that specific CO2 inspection step was performed, omitted or not applicable. Midway Sunset Cogeneration must follow up with the contractor to confirm the intent and accuracy of the “N/A” designation and ensure inspection results are properly documented to show the true status of each unit’s fire suppression.

JORGENSEN COMPANY

State Fire Marshal License A-0309 Contractors License 262995 C16, C10, C7

☒ BAKERSFIELD (661) 327-4352 ☐ FRESNO (559) 268-6241
☐ MODESTO (209) 529-0835 ☐ RANCHO CORDOVA (916) 852-4130

FIRE SUPPRESSION SYSTEMS MAINTENANCE

☐ FM200 ☐ Halon ☒ CO2 ☐ Inergen ☐

Date 2/27/25 Annual ☐ Semi Annual ☒ Quarterly ☐

Name Midway Sunset (Unit A) Transmits to N/A

Address 3466 Crocker Spring Rd, Fellow, Ca 93224 Phone # & Code N/A

Contact Greg Davis Results N/A

Phone 661-768-3028 System Location Mech package, load tunnel and turbine enclosure

Control Panel Chemtron Micro EV 1 Lights & Fuses N/A

Ground fault OK Crossed-Zoned N/A Timed Delay N/A

Battery Type Ps6120 # 4 Amphr 13 Age 11/21 Test Results OK

Trouble Signals: Audible OK Visual OK Alarm Indicators Audible OK Visual OK

Annunciators: # N/A Test Results N/A Auxiliary Functions N/A

Heat Detectors: Type Fenwal Thermals % Tested 100 Results OK

Smoke Detectors: Type N/A Functional Test OK Calibrated N/A

Other Detectors: Type N/A Results OK ETL's: # N/A Ohms N/A

Manual Pull Stations: # 2 Test Results OK Aborts: deadman N/A Keyed N/A

Disconnects: Type N/A # N/A Test Results OK

Hazard layout showing zoning, device location, & Breakers On file

Container	Temp	PSIG	Stamped Wt	Actual Wt	Hydro Date	Initiator Age
K1010	73	300	2 3/4 Tons	90%	N/A	N/A

JORGENSEN COMPANY

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FIRE SUPPRESSION SYSTEMS MAINTENANCE

☐ FM200 ☐ Halon ☒ CO2 ☐ Inergen ☐

Date 2/27/25 Annual ☐ Semi Annual ☒ Quarterly ☐

Name Midway Sunset (Unit B) Transmits to Local only

Address 3466 W. Crocker Spring Rd Phone # & Code N/A

Contact Greg Davis Results Pass

Phone 661-768-3028 System Location Mech package, load tunnel and turbine enclosure

Control Panel Chemtron Micro EV 1 Lights & Fuses OK

Ground fault OK Crossed-Zoned Yes Timed Delay 30 sec

Battery Type Ps6120 # 4 Amphr 13 Age 5/20 Test Results OK

Trouble Signals: Audible OK Visual OK Alarm Indicators Audible OK Visual OK

Annunciators: # 0 Test Results N/A Auxiliary Functions Dampers

Heat Detectors: Type Fixed % Tested 100% Results OK

Smoke Detectors: Type N/A Functional Test N/A Calibrated N/A

Other Detectors: Type N/A Results OK ETL's: # N/A Ohms N/A

Manual Pull Stations: # 2 Test Results OK Aborts: deadman N/A Keyed N/A

Disconnects: Type N/A # N/A Test Results OK

Hazard layout showing zoning, device location, & Breakers

Container	Temp	PSIG	Stamped Wt	Actual Wt	Hydro Date	Initiator Age
K993	82	300	5500	93%	N/A	N/A

JORGENSEN COMPANY

State Fire Marshal License A-0309 Contractors License 262995 C16, C10, C7

☒ BAKERSFIELD (661) 327-4352 ☐ FRESNO (559) 268-6241
☐ MODESTO (209) 529-0835 ☐ RANCHO CORDOVA (916) 852-4130

FIRE SUPPRESSION SYSTEMS MAINTENANCE

☐ FM200 ☐ Halon ☒ CO2 ☐ Inergen ☐

Date 2/27/25 Annual ☐ Semi Annual ☒ Quarterly ☐

Name Midway Sunset (Unit C) Transmits to Local

Address 3466 Crocker Springs Rd Phone # & Code N/A

Contact Greg Davis Results Pass

Phone 661-768-3028 System Location Mech package, load tunnel and turbine enclosure

Control Panel Chemtron Micro EV1 Lights & Fuses N/A

Ground fault OK Crossed-Zoned Yes Timed Delay N/A

Battery Type Ps6120 # 4 Amphr 13 Age 1/24 Test Results Good

Trouble Signals: Audible OK Visual OK Alarm Indicators Audible OK Visual OK

Annunciators: # 1 Test Results OK Auxiliary Functions OK

Heat Detectors: Type Thermal % Tested 100 Results OK

Smoke Detectors: Type N/A Functional Test OK Calibrated N/A

Other Detectors: Type N/A Results N/A ETL's: # N/A Ohms N/A

Manual Pull Stations: # 2 Test Results OK Aborts: deadman N/A Keyed N/A

Disconnects: Type N/A # N/A Test Results OK

Hazard layout showing zoning, device location, & Breakers

Container	Temp	PSIG	Stamped Wt	Actual Wt	Hydro Date	Initiator Age
K961	78	300	5500	81%	N/A	N/A

Figure 4: Units A result line with N/A compared to Unit B and C.

Finding 7: Midway Sunset Cogeneration did not comply with regulatory notification requirement for emergency generator operation.

GO 167-C, Appendix D, OS 7: Operation Procedures and Documentation states:

“Operation step wise procedures exist for critical systems and the states of those systems are necessary for the operation of the unit including startup, shutdown,

charging, discharging, normal operation, failure detection, alarm response, reasonably anticipated abnormal and emergency conditions, and restoration. Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid. Procedure shall be reviewed annually to ensure current procedures are up-to-date and OEM recommendations are implemented”

GO 167-C, Appendix D, OS 10: Environmental Regulatory Requirements states:

“Environmental regulatory compliance is paramount in the operation of the facility. Each regulatory event is identified, reported and appropriate action taken to prevent recurrence.”

GO 167-C, Appendix D, OS 12: Operations Conduct states:

“To ensure safety and optimize facility availability, the facility conducts operations systematically, professionally, and in accordance with approved policies and procedures. The facility takes responsibility for personnel actions, assigns personnel to tasks for which they are trained, and requires personnel to follow facility and operation procedures and instructions while taking responsibility for safety. Among other things:

- a) All personnel follow approved policies and procedures. Procedures are current and include a course of action to be employed when an adopted procedure is found to be deficient.*
- b) All operations are performed in a professional manner. Professional conduct applies throughout the facility site at all times.*
- c) All personnel on duty are trained, qualified, and capable of performing their job functions. Personnel are assigned only to duties for which they are properly trained and qualified.*
- d) Personnel take immediate actions to prevent or correct unsafe situations. Anyone shall have the right to stop work if they see an unsafe condition.”*

During the documentation review, ESRB inspectors observed that Midway Sunset Cogeneration operated the emergency diesel generator for approximately 36 hours without notifying the San Joaquin Valley Air Pollution Control District as required by Procedure MW-06-100, Section 4.1.6. Notification requirements are established to ensure regulatory agencies are informed of extended emergency generator operation and that emergency equipment is operated in accordance with applicable air quality requirements and site procedures. Failure to complete the required notification demonstrates that established operational procedures were not followed and may result in regulatory noncompliance. Midway Sunset Cogeneration must ensure that required notifications to the San Joaquin Valley Air Pollution Control District are completed whenever emergency diesel generator operation meets the criteria established in Procedure MW-06-100, Section 4.1.6.

Finding 8: Cathodic protections report identified several issues that are poorly tracked.

GO 167-C, Appendix C, MS 1: Safety states:

“The protection of life and limb for the work force is paramount. The company behavior ensures that individuals at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment, and the policies and procedures foster such a safety culture, and the attitudes and behaviors of individuals are consistent with the policies and procedures.”

GO 167-C, Appendix C, MS 4: Problem Resolution and Continuing Improvement states:

“The company values and fosters an environment of continuous improvement, timely and effective problem resolution, and problem prevention. This can be accomplished by applying industry best practices, lessons learned, and proven safety measures for the safety and reliability of both the GA and ESS.”

GO 167-C, Appendix C, MS 7: Balance of Maintenance Approach states:

“The maintenance program includes the proper balance of the various approaches to maintenance, e.g., preventive, predictive, or corrective. The approach is adequately documented with consideration of economics and reliability of equipment or components, and their effect on reliable operation of the unit. Operating experience is factored into the program. Maintenance procedures and documents should include the generation and/or ESS equipment, and all components owned and operated by the ESSO/GAO directly connected to the plant. All integral parts of delivering power to the grid (e.g. fuel supply systems, electrical switchyards, transmissions lines, control systems, penstocks, flumes, heating and cooling systems, exhaust system, communications systems, etc.) are included.”

GO 167-C, Appendix C, MS 14: Engineering and Technical Support states:

“Engineering and technical support activities are conducted such that equipment performance is optimized for reliable facility operation. Engineering and technical support implements industry best practices, lessons learned, proven safety measures, and technical information necessary for the facility to be operated and maintained within the operating parameters defined by facility design.”

During the documentation review, ESRB inspectors reviewed the firewater piping system cathodic protection survey and identified multiple deficiencies that have not been adequately investigated or addressed. Cathodic protection systems are intended to minimize corrosion of buried metallic piping and preserve the integrity of critical infrastructure. Failure to evaluate and correct identified deficiencies increases the risk of corrosion, premature piping deterioration, and reduced reliability of the firewater system.

The cathodic protection survey reported that none of the seventeen (17) below-grade test points met the minimum -850 mV polarized potential acceptance criterion, indicating that the firewater piping system is not receiving adequate cathodic protection. ESRB inspectors also observed that this condition has been documented within the work management system since 2023 without evidence that a corrective action plan has been developed or implemented. Continued operation without resolving the identified deficiencies increases the potential for corrosion-related degradation of the underground firewater piping system over time.

Additionally, the cathodic protection survey identified that test station 7 appears to be electrically connected to the above-grade produced water piping system based on the survey results. This condition may affect the performance of the cathodic protection system and indicates that the system configuration should be investigated. At the time of the audit, ESRB inspectors were not provided documentation demonstrating that this condition had been evaluated or that a work order had been generated to investigate the reported anomaly.

Midway Sunset Cogeneration must develop and implement a corrective action plan to restore adequate cathodic protection for the firewater piping system. The facility must investigate the reported test station 7 anomaly, create appropriate work orders to document the investigation and corrective actions, and ensure that identified cathodic protection deficiencies are tracked through completion. Midway Sunset Cogeneration must provide ESRB with its corrective action plan and documentation demonstrating how the identified deficiencies will be resolved and the long-term integrity of the firewater piping system will be maintained.

Finding 9: Missing critical safety information on site maps and missing signage.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 20: Preparedness for On-Site and Off-Site Emergencies states:

“The GAO or ESSO plans for, prepares for, and responds to reasonably anticipated emergencies on and off the plant site, primarily to protect facility personnel and the public, and secondarily to minimize damage to maintain the reliability and availability of the facility. Among other things, the GAO or ESSO:

- a) Plans for the continuity of management and communications during emergencies, both within and outside the facility;*
- b) Trains personnel in the emergency plan periodically;*
- c) Ensures provision of emergency information and materials to personnel;*

- d) *In developing any emergency plans, the GAO and ESSO will coordinate with local emergency management agencies, unified program agencies, and local first response agencies; and*
- e) *The owner or operator of each ESS facility shall develop and submit an emergency response and emergency action plan for the ESS that complies with Public Utilities Code, Section 761.3, subdivision (g). The owner or operator of the ESS facility shall submit the emergency response and emergency action plan to the county, local emergency management agencies, local first response agencies, and if applicable, the Authority Holding Jurisdiction (AHJ) and the city where the facility is located."*

During the inspection, ESRP inspectors found that muster points and AED locations are not clearly identified on the site map. Midway Sunset Cogeneration staff stated that the primary muster point is located at the south main entrance across the road. However, no signage or indicators are present at that location indicating it as a muster point. Midway Sunset Cogeneration staff also explained that backup muster points exist in case the main gate is inaccessible or wind directions make the main muster point unsafe. These back up muster points can be reached through the pedestrian exits. These alternate muster points are not marked or indicated on the site map as well. The absence of clear identification for muster points and AED locations can create confusion and delay during emergencies, particularly for contractors or visitors unfamiliar with the site layout. Midway Sunset Cogeneration must update its site maps to clearly show all muster point locations and AED locations. It is also strongly recommended that the updated maps include the locations of eyewash stations and spill kits to further support emergency response readiness. Midway Sunset Cogeneration must also post signage at the designated muster points indicating that is where personnel are to evacuate to when needed. Midway Sunset Cogeneration must provide updated site maps to ESRB, demonstrating the changes that have been made and ensuring that all posted site maps around the facility are updated. Midway Sunset Cogeneration must provide photos of added muster point signage.

Finding 10: Damaged and unattended equipment and devices were observed.

GO 167-C, Appendix C, MS 1: Safety states:

"The protection of life and limb for the work force is paramount. The company behavior ensures that individuals at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment, and the policies and procedures foster such a safety culture, and the attitudes and behaviors of individuals are consistent with the policies and procedures."

GO 167-C, Appendix C, MS 9: Conduct of Maintenance states:

"Maintenance is conducted in an effective and efficient manner, so equipment performance and material condition effectively support reliable facility operation."

GO 167-C, Appendix C, MS 11: Facility Status and Configuration states:

“Station activities are effectively managed, so facility status and configuration are maintained to support safe, reliable, and efficient operation.”

GO 167-C, Appendix C, MS 13: Equipment Performance and Material Condition states:

“Equipment performance and material condition support reliable facility operation. This is achieved using a strategy that includes methods to anticipate, prevent, identify, and promptly resolve equipment performance problems, corrosion, and degradation.”

During the field inspection, ESRB inspectors observed that the wire shielding connected to the pressure sensor serving the fire pump was deteriorated. Damaged wire shielding may affect the reliability of the pressure sensor and could impair proper monitoring or operation of the fire pump system. The fire pump is a critical component of the facility's fire protection system, and associated wiring must be maintained in good condition to ensure reliable operation during an emergency. Deteriorated wiring may increase the likelihood of sensor malfunction or failure when the system is needed. Midway Sunset Cogeneration must inspect the pressure sensor wiring serving the fire pump and repair or replace any deteriorated wiring.



Figure 5: Deteriorated wire shielding on pressure sensor serving the fire pump.

ESRB inspectors also identified that multiple gauges at the plant were missing backplates. Backplates are critical because they protect internal gauge components from dust, dirt, moisture,

insects, and debris. They also provide structural stability by holding internal parts firmly in place. Without them, vibrations, wind, or exposure to outdoor elements can cause premature failure. In addition, missing backplates can affect accuracy, as exposed internal mechanisms may respond more slowly, provide inaccurate readings, or become unreliable underload. This poses a safety risk because operators may not recognize unsafe operating conditions if gauges provide false or inconsistent readings. Midway Sunset Cogeneration must install all missing backplates on the affected gauges and ensure that future site inspections identify and fix backplates as they are damaged.



Figure 6: Missing backplate on liquid Gauge.

Finding 11: Safety Data Sheet (SDS) inventory lacking accuracy and completeness.

GO 167-C, Appendix C, MS 1: Safety states:

“The protection of life and limb for the work force is paramount. The company behavior ensures that individuals at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment, and the policies and procedures foster such a safety culture, and the attitudes and behaviors of individuals are consistent with the policies and procedures.”

GO 167-C, Appendix C, MS 6: Training Support states:

“A systematic approach to training is used to achieve, improve, and maintain a high level of personnel knowledge, skill, and performance.”

GO 167-C, Appendix C, MS 8: Maintenance Procedures and Documentation states:

“Maintenance procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures must be current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid.”

GO 167-C, Appendix D, OS 10: Environmental Regulatory Requirements states:

“Environmental regulatory compliance is paramount in the operation of the facility. Each regulatory event is identified, reported and appropriate action taken to prevent recurrence.”

During the field inspection and documentation review, ESRB inspectors identified that multiple SDSs were missing for various chemicals found at the plant, including SDSs for Landa pump oil, antifreeze products, and a name brand lighter fluid, even though an off-brand product was present on site. Additionally, several SDSs provided by Midway Sunset Cogeneration were outdated despite newer revisions being available. The use of chemicals without SDSs, or with outdated SDSs, presents a significant safety and compliance risk, as these documents contain critical information necessary for effective response to incidents involving hazardous materials.

Missing or outdated SDSs may result in inaccurate or incomplete guidance during an accident or emergency, potentially leading to improper first aid measures, delayed treatment, or increased harm to affected personnel. This condition compromises both worker safety and the facility’s ability to respond appropriately to hazardous material events. Midway Sunset Cogeneration must ensure that SDSs for all chemicals and products found at the plant are included and must update all SDSs in its database to the most current versions. These documents must be readily accessible to all plant personnel.



Figure 7: Lighter fluid found on-site without a corresponding SDS.

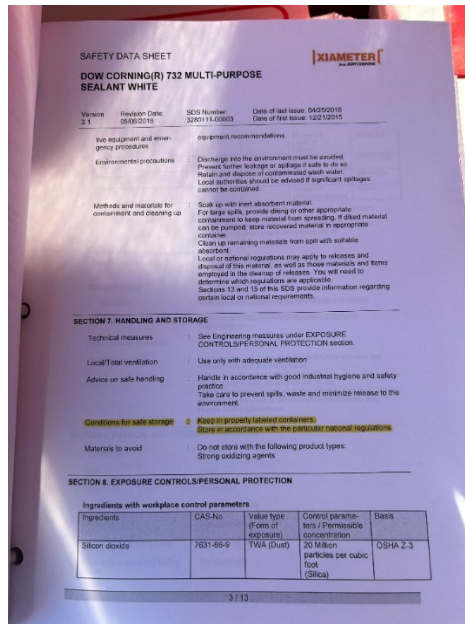


Figure 8: Outdated SDS is SDS binder.

Finding 12: Daily rounds sheets lacking equipment operating limits and guidance.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 7: Operation Procedures and Documentation states:

“Operation step wise procedures exist for critical systems and the states of those systems are necessary for the operation of the unit including startup, shutdown, charging, discharging, normal operation, failure detection, alarm response, reasonably anticipated abnormal and emergency conditions, and restoration. Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid. Procedure shall be reviewed annually to ensure current procedures are up-to-date and OEM recommendations are implemented”

GO 167-C, Appendix D, OS 9: Engineering and Technical Support states:

“Engineering activities are conducted such that equipment performance supports

reliable facility operation. Engineering provides the technical information necessary for the facility to be operated and maintained within the operating parameters defined by facility design. Software is up-to-date for cyber security and routinely backed up for safety, reliability, and operational purposes. Engineering and technical staff provide support, when needed, to operations and maintenance groups to resolve operations and maintenance problems.”

During the inspection, ESRP inspectors found that the daily round sheets were being completed; however, the sheets contain inaccurate minimum and maximum operating limits. Inspectors noted that recorded field values were consistently outside the stated acceptable ranges. According to Midway Sunset Cogeneration staff, these out-of-range values did not trigger alarms because the equipment is capable of those higher or lower values. These higher and lower values were a result of the equipment being off. From the perspective of an untrained operator or contractor, the recorded values may appear problematic and could lead to unnecessary concern or misinterpretation of equipment condition. It is critical that operational documents and procedures reflect accurate, up to date operating ranges so that personnel can correctly evaluate equipment status. Furthermore, the documentation should clearly indicate that certain values may deviate from ideal ranges depending on whether specific equipment is offline or online. Midway Sunset Cogeneration must update their daily round sheets to include accurate equipment specific to operating limits in order to ensure proper monitoring and interpretation of equipment conditions.

Finding 13: Worn, deteriorated, and missing caution tags on various equipment.

GO 167-C, Appendix C, MS 1: Safety states:

“The protection of life and limb for the work force is paramount. The company behavior ensures that individuals at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment, and the policies and procedures foster such a safety culture, and the attitudes and behaviors of individuals are consistent with the policies and procedures.”

GO 167-C, Appendix C, MS 4: Problem Resolution and Continuing Improvement states:

“The company values and fosters an environment of continuous improvement, timely and effective problem resolution, and problem prevention. This can be accomplished by applying industry best practices, lessons learned, and proven safety measures for the safety and reliability of both the GA and ESS.”

GO 167-C, Appendix C, MS 11: Plant Status and Configuration states:

“Station activities are effectively managed, so facility status and configuration are maintained to support safe, reliable, and efficient operation.”

During the field inspection, ESRB inspectors observed that multiple equipment caution tags were degraded due to weather exposure and aging. Several tags were faded, peeling, or no longer clearly legible. Equipment and site caution labeling are necessary to ensure personnel can readily identify equipment status (such as whether equipment is out of service), associated hazards, and

required safety precautions. Degraded labels and tags reduce the effectiveness of hazard communication and may result in improper operation or delayed recognition of hazards during routine work activities or emergency response situations.

Midway Sunset Cogeneration must replace the degraded caution tags with durable materials suitable for outdoor conditions. Midway Sunset Cogeneration must also implement periodic inspections of caution tags and hazard signage to ensure required information remains clearly visible and properly maintained.

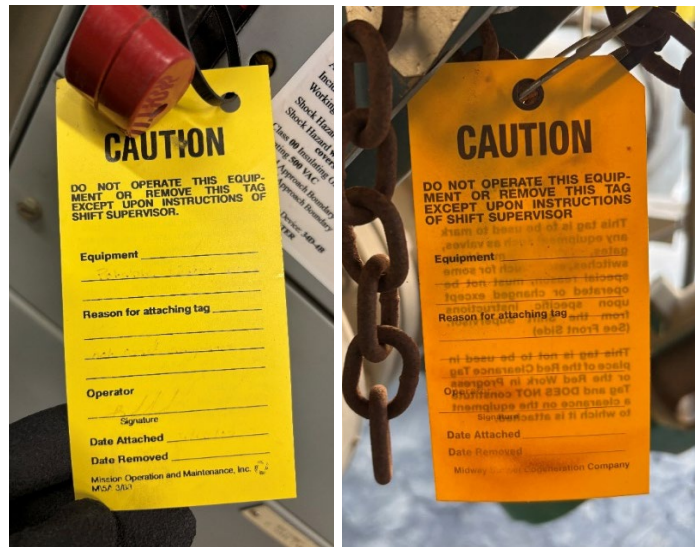


Figure 9: Illegible caution tags.

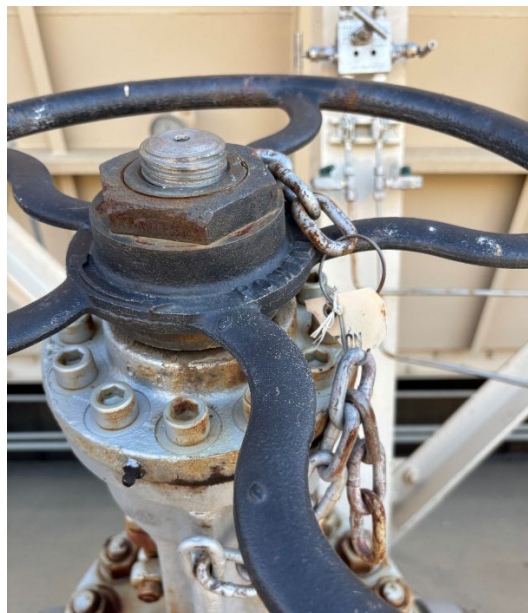


Figure 10: Completely worn and deteriorated caution tag.

Finding 14: Missing confined space entry signage.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 8: Plant Status and Configuration states:

“Facility activities are effectively managed, so the facility status and configuration are maintained to support safe, reliable, and efficient operation.”

GO 167-C, Appendix D, OS 11: Operations Facilities, Tools, and Equipment states:

“Facilities and equipment are adequate to effectively support operations activities, including housekeeping, tool storage, and equipment storage. Physical separation such as, but not limited to, egress requirements, clearance for electrical equipment, and ESS equipment shall be maintained.”

During the field inspection, ESRB inspectors observed that the confined space entry sign at the gas compressor area was missing from one side of the access point. As a result, personnel approaching the area from one direction may not receive the required confined space hazard notification prior to entry. Confined space signage is necessary to clearly identify confined spaces and alert personnel to applicable restrictions and hazards. Missing signage may reduce hazard awareness and increase the potential for unauthorized or unsafe entry.

Midway Sunset Cogeneration personnel installed the missing confined space sign prior to the conclusion of the audit. Midway Sunset Cogeneration must ensure that confined space signage is maintained at all designated access points and be included in routine inspections to verify that signs remain present, legible, and properly maintained.



Figure 11: Confined space entry point without signage.



Figure 12: Signage added before conclusion of audit.

Finding 15: Oil leaks observed on operating equipment.

GO 167-C, Appendix C, MS 1: Safety states:

“The protection of life and limb for the work force is paramount. The company behavior ensures that individuals at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment, and the policies and procedures foster such a safety culture, and the attitudes and behaviors of individuals are consistent with the policies and procedures.”

GO 167-C, Appendix C, MS 9: Conduct of Maintenance states:

“Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission grid.”

GO 167-C, Appendix C, MS 11: Facility Status and Configuration states:

“Station activities are effectively managed, so facility status and configuration are maintained to support safe, reliable, and efficient operation.”

GO 167-C, Appendix C, MS 13: Equipment Performance and Material Condition states:

“Equipment performance and material condition support reliable facility operation. This is achieved using a strategy that includes methods to anticipate, prevent, identify, and promptly resolve equipment performance problems, corrosion, and degradation.”

During the field inspection, ESRB inspectors observed evidence of an oil leak on the Unit A generator equipment. Proper lubrication of all equipment promotes longevity, reliability, and safe operation. Unaddressed oil leaks may indicate equipment degradation, create housekeeping concerns, and reduce the facility’s ability to maintain equipment in proper material condition. Additionally, oil leaks can create hazards such as slipping and fire risks.

During the document review, no work order was found or associated with this concern, indicating that there are no current plans in the work order management system to repair the oil leak. Midway Sunset Cogeneration must provide ESRB with a plan of action and an estimated completion timeline for addressing the Unit A generator equipment oil leak. After completing the corrective action, Midway Sunset Cogeneration must submit documentation demonstrating that the condition has been resolved or in the process of being resolved.



Figure 13: Oil leak on Unit A Generator equipment.

ESRB inspectors also observed excessive oil residue on Pump P408-B resulting from the equipment being overfilled with oil. Although no active leak was observed, the accumulation of

oil residue indicates improper lubrication practices and can make it difficult to identify future equipment leaks or developing mechanical issues. Excessive oil residue contributes to poor housekeeping and can mask changes in equipment condition. Maintaining proper oil levels is essential to support reliable equipment operation and facilitate effective equipment inspections. Midway Sunset Cogeneration must clean the accumulated oil residue from Pump P408-B and ensure that lubrication activities are performed in accordance with manufacturer recommendations.



Figure 14: Oil residue on Pump P408-B.

Finding 16: Technician operating qualification improperly checked off.

GO 167-C, Appendix C, MS 5: Maintenance Personnel Knowledge and Skills states:

“Maintenance personnel are trained and qualified to possess and apply the knowledge and skills needed to perform maintenance activities that support safe and reliable facility operation.”

GO 167-C, Appendix C, MS 6: Training Support states:

“A systematic approach to training is used to achieve, improve, and maintain a high level of personnel knowledge, skill, and performance.”

GO 167-C, Appendix D, OS 5: Operations Personnel Knowledge and Skills states:

“Operations personnel are trained and qualified to possess and apply the knowledge and skills needed to perform operations activities that support safe and reliable facility operation.”

GO 167-C, Appendix D, OS 6: Training Support states:

“A systematic approach to training is used to achieve, improve, and maintain a high level of personnel knowledge, skill, and performance. Each GAO and ESSO provides a site-specific training program including on-the-job training, covering operations, including reasonably anticipated abnormal and emergency operations. Personnel are trained to ensure safe and reliable facility operation.”

During the inspection, ESRP inspectors reviewed Operator qualification checklists required for Operator 1 and Operator 2 roles. These checklists are designed to document that each technician has demonstrated competency in the skills necessary to safely perform Operator 1 or Operator 2 duties. Inspectors found that several technicians had not completed all required check-off items yet were performing Operator 1 or Operator 2 responsibilities without fully documented qualifications. Some of these incomplete qualification checklists date back as far as 2019–2020. Midway Sunset Cogeneration staff explained that an extension was granted during the COVID period and due to uncertainty regarding continued plant operations. While technicians may now have years of practical experience, it remains critical that documentation accurately reflects their demonstrated qualifications. Formal, complete checkoffs are necessary to show compliance with established training standards and ensure safe and reliable operations. Midway Sunset Cogeneration must ensure that all Operator 1 and Operator 2 qualification checklists are fully completed and signed off to properly document that technicians meet the required knowledge and skill standards for their assigned roles. Midway Sunset Cogeneration must submit completed Operator qualification checklists demonstrating that all member of Midway Sunset Cogeneration have the qualifications for their Operator status.

Finding 17: Outdated ERP documents mixed in physical emergency response folders.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 7: Operation Procedures and Documentation states:

“Operation step wise procedures exist for critical systems and the states of those systems are necessary for the operation of the unit including startup, shutdown, charging, discharging, normal operation, failure detection, alarm response, reasonably anticipated abnormal and emergency conditions, and restoration. Operation procedures and documents are clear and technically accurate, provide appropriate directions, and are used to support safe and reliable facility operation. Procedures are current to the actual methods being employed to accomplish the task and are comprehensive to ensure reliable energy delivery to the transmission

grid. Procedure shall be reviewed annually to ensure current procedures are up-to-date and OEM recommendations are implemented”

GO 167-C, Appendix D, OS 8: Plant Status and Configuration states:

“Facility activities are effectively managed, so the facility status and configuration are maintained to support safe, reliable, and efficient operation.”

GO 167-C, Appendix D, OS 20: Preparedness for On-Site and Off-Site Emergencies states:

“The GAO or ESSO plans for, prepares for, and responds to reasonably anticipated emergencies on and off the plant site, primarily to protect facility personnel and the public, and secondarily to minimize damage to maintain the reliability and availability of the facility. Among other things, the GAO or ESSO:

- a) Plans for the continuity of management and communications during emergencies, both within and outside the facility;*
- b) Trains personnel in the emergency plan periodically;*
- c) Ensures provision of emergency information and materials to personnel;*
- d) In developing any emergency plans, the GAO and ESSO will coordinate with local emergency management agencies, unified program agencies, and local first response agencies; and*
- e) The owner or operator of each ESS facility shall develop and submit an emergency response and emergency action plan for the ESS that complies with Public Utilities Code, Section 761.3, subdivision (g). The owner or operator of the ESS facility shall submit the emergency response and emergency action plan to the county, local emergency management agencies, local first response agencies, and if applicable, the Authority Holding Jurisdiction (AHJ) and the city where the facility is located.”*

ESRP investigators found that the emergency response folders located in the field SDS cabinet and control room contained both current and outdated versions of the ERP for the fire and earthquake sections. This inconsistency makes it difficult for personnel to quickly identify the correct procedure during an emergency. Having outdated documents mixed with current versions can lead to confusion, improper response actions, or delayed decision-making during time critical events. Emergency documentation must be consistent across all locations where employees may need to reference it. Midway Sunset Cogeneration must update and standardize all emergency response folders to ensure they contain only the current versions of ERP documents for each scenario.

Finding 18: Out-of-service gauges were not identified as unusable.

GO 167-C, Appendix C, MS 11: Facility Status and Configuration states:

“Station activities are effectively managed, so facility status and configuration are maintained to support safe, reliable, and efficient operation.”

GO 167-C, Appendix C, MS 13: Equipment Performance and Material Condition states:

“Equipment performance and material condition support reliable facility operation. This is achieved using a strategy that includes methods to anticipate, prevent, identify, and promptly resolve equipment performance problems, corrosion, and degradation.”

GO 167-C, Appendix D, OS 13: Routine Inspections states:

“Routine inspections by facility personnel ensure that all areas and critical parameters of facility operations are continually monitored, equipment is operating normally, and that routine maintenance is being performed. Results of data collection and monitoring of parameters during routine inspections are utilized to identify and resolve problems, to improve facility operations, and to identify the need for maintenance. All personnel are trained in the routine inspection procedures relevant to their responsibilities. Among other things, each GAO or ESSO creates, maintains, and implements routine inspections by:

- a) Identifying systems and components critical to system operation such as, but not limited to, those listed in the guidelines to Operating Standard 28.*
- b) Establishing procedures for routine inspections that define critical parameters of these systems, describe how those parameters are monitored, and delineate what action is taken when parameters meet alert or action levels.*
- c) Training personnel to conduct routine inspections.*
- d) Monitoring and conducting trend analysis from routine inspections.”*

During the field inspection, ESRB inspectors observed that the liquid gauge for the Unit C turbine was not providing a reading, displaying either no value, zero, or “Lo.” When asked about the issue, plant personnel stated that the gauge was no longer in service because a new gauge installed beside it had replaced its function. Out-of-service gauges must be either removed or clearly labeled as out of service. Leaving an inactive gauge in place without proper labeling can create confusion for plant personnel and contractors. It may also pose safety risks, as a nonvalid reading can lead operators or contractors to mistakenly attempt to troubleshoot a nonexistent problem or assume that the unit is malfunctioning. Midway Sunset Cogeneration must remove the out-of-service liquid gauge or clearly label it as out of service to prevent confusion.

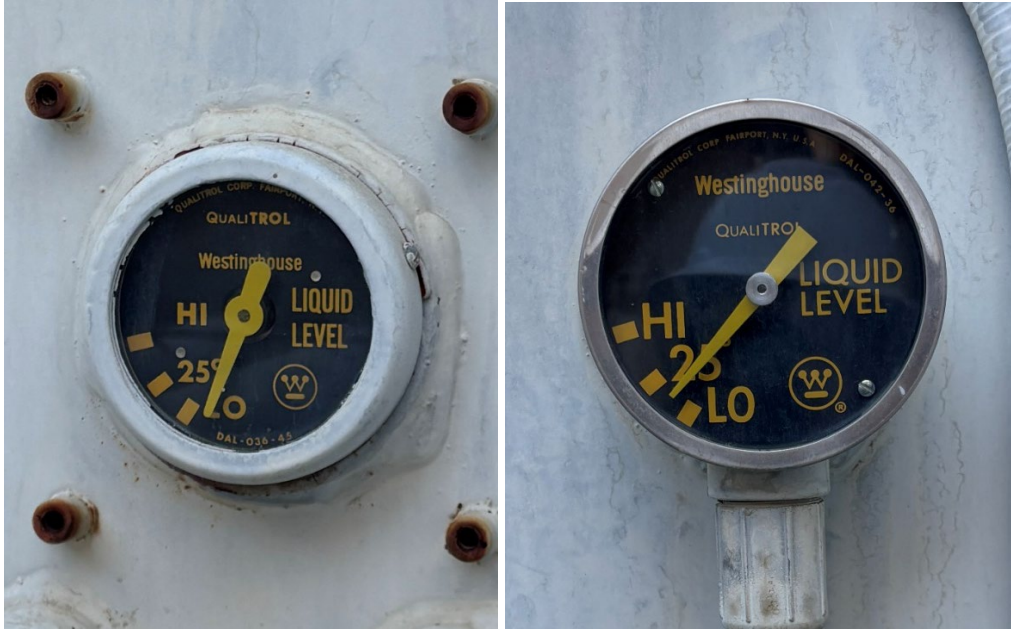


Figure 15: (Left) Out-of-service liquid gauge displaying “Lo” with no labeling indicating it is out of service. (Right) Inservice gauge installed beside the unlabeled out-of-service gauge.

Finding 19: Spill kit was not properly maintained with torn tamper seal.

GO 167-C, Appendix D, OS 1: Safety states:

“The protection of life and limb for the work force is paramount. GAOs and ESSOs have a comprehensive safety program in place at each site. The company’s behavior ensures that personnel at all levels of the organization consider safety as the overriding priority. This is manifested in decisions and actions based on this priority. The work environment and the policies and procedures foster such a safety culture, and the attitudes and behaviors of personnel are consistent with the policies and procedures.”

GO 167-C, Appendix D, OS 20: Preparedness for On-Site and Off-Site Emergencies states:

“The GAO or ESSO plans for, prepares for, and responds to reasonably anticipated emergencies on and off the plant site, primarily to protect facility personnel and the public, and secondarily to minimize damage to maintain the reliability and availability of the facility. Among other things, the GAO or ESSO:

- a) Plans for the continuity of management and communications during emergencies, both within and outside the facility;*
- b) Trains personnel in the emergency plan periodically;*
- c) Ensures provision of emergency information and materials to personnel;*
- d) In developing any emergency plans, the GAO and ESSO will coordinate with local emergency management agencies, unified program agencies, and local first response agencies; and*

e) The owner or operator of each ESS facility shall develop and submit an emergency response and emergency action plan for the ESS that complies with Public Utilities Code, Section 761.3, subdivision (g). The owner or operator of the ESS facility shall submit the emergency response and emergency action plan to the county, local emergency management agencies, local first response agencies, and if applicable, the Authority Holding Jurisdiction (AHJ) and the city where the facility is located.”

During the inspection, ESRP inspectors found that a spill kit located in the battery room adjacent to the control room had a broken tamper seal. All other spill kits on site had intact tamper seals, indicating they contained all the necessary emergency response material. A broken or missing tamper seal creates uncertainty regarding whether the spill kit has been open, partially used, or is missing required equipment. Without confirmation that the kit is fully stocked, its readiness for an emergency cannot be assured. After any use, spill kits must be restocked, inspected, and a new tamper seal must be applied so that personnel can easily verify readiness during routine inspection or under emergency conditions. Midway Sunset Cogeneration must ensure that all spill kits are properly stocked and are maintained with intact tamper seals to confirm emergency readiness.



Figure 16: Torn tamper seal corrected during audit.

II. List of Reviewed Documents

Category	Reference #	CPUC-Requested Documents
Safety	1	Orientation Program for Visitors and Contractors (Onsite)**
	2	Emergency Response and Emergency Action Plan
	3	Evacuation Map and Plant Layout
	4	Evacuation Drill Report & Critique (last 3 years)
	5	Hazmat Handling Procedure
	6	SDS for All Hazardous Chemicals**
	7	Injury & Illness Prevention Plan (IIPP)
	8	OSHA Form 300 (Injury Log) and OSHA Form 301 (Incident Report) (last 4 years)
	9	List of all CPUC Reportable Incidents (last 5 years)
	10	All Root Cause Analyses (last 5 years)
	11	Fire Protection System Test Report and Inspection Record (last 3 years)***
	12	Insurance Report / Loss Prevention / Risk Survey (last 3 years)
	13	Lockout / Tagout Procedure
	14	Arc flash Analysis
	15	Hot Work Procedure
	16	Confined Space Entry Procedure
	17	Plant Physical Security and Cyber Security Procedures
	18	5-year Water Based Fire Protection System Inspection Record***
	19	Job Safety Analysis Program**
Training	20	Safety Training Records*
	21	Skill-related Training Records*
	22	Certifications for Welders, Forklift & Crane Operators*
	23	Hazmat Training and Records*
Contractor	24	Latest list of Qualified Contractors*
	25	Contractor Selection / Qualification Procedure
	26	Contractor Certification Records
	27	Contractor Monitoring Program
Regulatory	28	Daily CEMS Calibration Records (Onsite)**
	29	Air Permit
	30	Water Permit
	31	Spill Prevention Control and Countermeasure Plan (SPCC)
	32	CalARP Risk Management Plan (RMP)

O&M	33	Daily Round Sheets / Checklists (Onsite)**
	34	Feedwater Grab-sample Test Records (Onsite)**
	35	Water Chemistry Manual
	36	Logbook (Onsite)**
	37	List of Open/Backlogged Work Orders*
	38	List of Closed/Retired Work Orders*
	39	Work Order Management Procedure
	40	Computerized Maintenance Management System (Demonstration Onsite)**
Gas Turbine	41	Maintenance & Inspection Procedures for CTG, HRSG, Condenser & Transformer
	42	Borescope Inspection Reports (last 2 years)
	43	Hot Gas Path Inspection Reports
	44	Combustors Inspection Reports
	45	Intercooler Inspection Reports (if applicable)
	46	Overspeed Trip Test Records
	47	Bearing Lube Oil Analysis Reports
	48	DC Lube Oil Pump Test Records
Main Plant Air Compressors	49	Inspection Procedures and Records
Document	50	P&IDs*
	51	Vendor Manuals (Onsite)**
Spare Parts	52	Spare Parts Inventory List
	53	Shelf-life Assessment Procedures and Reports
Management	54	Employee Performance Review Procedures and Verifications
	55	Organizational Chart
HRSG	56	Tube Analysis Report
	57	Tube Clean Records (Internal and/or external)
	58	Safety Valve Test Records
	59	Hot Spots / IR Inspection Reports
	60	Structural Integrity Assessment
HEP	61	HEP Inspection Procedure & Measurements
	62	Pipe Hangers / Support Inspection and Calibration Records
Generator	63	Bearing Lube Oil Analysis
	64	Maintenance & Inspection Procedures (or related documents)
	65	Electrical Test Records (Reactive power verification, excitation control modeling, polarization, etc.)

Transformers (All)	66	Hot Spots / IR Inspection Reports
	67	Oil Analysis Reports
Cathodic Protection	68	Procedures and Inspection Records
Condenser & Cooling Water System	69	Cooling Fans & Motors Inspection Records
	70	Cooling Tower Structural Integrity Assessment
	71	Circulating & Cooling Water Pumps Maintenance Records
Instrumentation	72	Instrument Calibration Procedures and Records
Test Equipment	73	Calibration Procedures and Records
Emission Control Equipment (SCR, Ammonia, NOx, CO)	74	Maintenance & Inspection Procedures and Records
Internal Audit	75	Internal Audit Procedures and all Records

Note: If a requested document is not applicable or available, please indicate as such

* Provide data in a searchable format such as a searchable PDF, Word Document, Excel Spreadsheet, etc.

** These items may be provided on-site by the first day of the audit.

*** Fire Protection Systems