

September 16, 2022

Mr. Terence Eng
Gas Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: General Order (GO) 112-F Gas Inspection of PG&E's Central South Transmission Area

Dear Mr. Eng:

Pacific Gas and Electric Company (PG&E) submits this response to Post-Inspection Written Preliminary Findings (Summary), dated August 18, 2022. The actual inspection was held between April 4, 2022 and April 15, 2022.

Unsatisfactory Result 1:

Question Text	Do records indicate inspection and testing of pressure limiting, relief devices, and pressure regulating stations?
References	192.709(c)
Issue Summary	SED reviewed the regulator station maintenance record of the regulator station at Chestnut & Clay Aves in Fresno district/division.

The left run as left (AL) data (including Regulator Set Point, Regulator Lockup, Monitor Set Point, Monitor Lockup and Working Monitor Pilot Set Point) was missing for the double-run regulator station maintenance record at Chestnut & Clay Aves on Jan 31, 2020.

PG&E explained that the "as left (AL)" data was the same as the "as found (AF)" data, however, the maintenance personnel did not fill out the checklist.

Per PG&E's Maintenance of Regulator Stations Procedure TD-4540P-01, Section 6.1.2, when inspection is completed, one must document the regulator pilot settings.

TD-4540P-01, Section 6.1.2 states, in part:

"Fill in all fields on station record form.

a. Identify fields for which data entry does not apply with dash (-), slash (/), "N/A," "N.A.," OR "NA."

b. Identify fields for which data would normally be required but where information is unknown with "UNK." "

PG&E did not correctly document the inspection and maintenance activity performed at the regulator station according to their procedure.

Therefore, PG&E violated Title 49 CFR Part 192 Section 192.605(a).

Response to Unsatisfactory Result 1:

PG&E performed the required maintenance work in 2020 and checked the operation of the regulator as indicated by the "as found (AF)" data. However, paperwork was completed incorrectly. In the following year (2021), this maintenance was performed again, and was documented correctly. The same maintenance was performed once again in 2022 and was documented correctly. In addition, Fresno area technicians have been further briefed (tail boarded) on accurately completing the documents.

Unsatisfactory Result 2:

Question Text	Do records document inspection of aboveground pipe for atmospheric corrosion? Is pipe that is exposed to atmospheric corrosion protected?
References	192.491(c) (192.481(a), 192.481(b), 192.481(c))
Issue Summary	After reviewing PG&E Fresno and Kettleman District's span inspection records, SED found that PG&E did not correct the atmospheric corrosion issue identified on span #49931138 as stated in their last audit response. PG&E first identified this span as unintentionally exposed due to erosion in May 2014. In PG&E's last audit response dated May 28, 2019, PG&E stated that they created a corrective work notification (#114716176) in SAP and "All spans are on the Insulation and Coatings remediation list with a due date of 2021 based on the 2018 inspections". PG&E also replied to SED's DR#70 from this audit, that the corrective work was completed. However, after reviewing the coating inspection report, SED found that no corrective work was done for this span. The PG&E Span Inspection report stated in the comment that "SPAN U - Entire Span Rusted - Need Paint Crew to Repair Entire Span". The attached photos also indicate that coating is missing and soil is eroded. Notification 114716176 is the most updated corrective notification, according to PG&E's response of DR#84.

Title 49 CFR §192.481(c) states:

"If atmospheric corrosion is found during an inspection, the operator must provide protection against the corrosion as required by § 192.479".

Title 49 CFR §192.479(a) states in part:

"Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere".

PG&E failed to provide protection against the corrosion issue identified on Span #49931138 and therefore violated Title 49 CFR Part 192 §192.481(c).

SED went on a field inspection of the exposed span #49931138 as noted in Unsatisfactory Item 2.1 above. SED observed that the pipe coating showed signs of abrasion and the exposed span showed signs of erosion. SED did not see signs of any remediation work. This observation supports the Atmospheric Corrosion Monitoring records issue identified in the record review portion.

Response to Unsatisfactory Result 2:

PG&E has resolved the identified issues in early July 2022 and has notified the SED of the completed work with photos in an email sent on July 15, 2022. In addition to coating the span, PG&E also added "Rock Guard" over the exposed section of pipe. This product is specifically designed for pipelines to provide added protection from damage against rocks or debris flowing. PG&E also informed SED in the email that the span will continue to be managed as an above ground span while PG&E considers completing a project to lower the pipe. Please see "Attachment 1" for photos that were included in the above-mentioned email to SED.

Concern #1:

Question Text	Do flanges and flange accessories meet the requirements of 192.147?
References	192.147 (192.147(a), 192.147(b), 192.147(c), 192.607)
Issue Summary	<p>Under PG&E Standard B-45.4, Section 2.1, Part E, "Bolts/studs must be fully engaged and extend completely through their nuts, with a recommended minimum of two threads exposed, as long as the bolt/stud does not extend beyond 1/2 inch (in.) from the nut face."</p> <p>During the field visit of PG&E's Kettleman district transmission facilities, SED found multiple occurrences of lack of bolt and nut thread engagement on the pipe flanges.</p> <ul style="list-style-type: none"> • Flange on valve BD-V-A at Kettleman compressor station • Flange at the dead end next to M-1 at Helm Junction station. • Flange on Blowdown valve next to V-B at Panoche station. <p>PG&E should ensure the bolts and nuts on the flanges are fully engaged to maintain their designed strength. Please provide an update on the corrective actions that have been or will be taken.</p>

Response to Concern #1:

PG&E corrected the flange bolts engagements following the inspection in June 2022 (Please see "Attachment 2"). Subsequently, flange bolts are being inspected during regular maintenance and corrected as found. Furthermore, PG&E has revised PG&E Gas Standards B-45.4, "Flange Bolt – Tightening Sequence and Torque value" Section 2.1. The number of threads were reduced to one thread beyond the face of the nut after researching ASME PCC-1. PG&E Gas Standards B-45.4 was revised and published in June 2022. Please see "Attachment 3" for a copy.

Concern #2:

Question Text	Do records indicate appropriate odorization of its combustible gases in accordance with its processes and conduct of the required testing to verify odorant levels met requirements?
References	192.709(c) (192.625(a), 192.625(b), 192.625(c), 192.625(d), 192.625(e), 192.625(f))
Issue Summary	<p>SED reviewed the Odorization Report and Odor Intensity Report at Kettleman and identified the following issues.</p> <ul style="list-style-type: none"> a) Paramount odorization report for 1/6/2021 was mistakenly recorded as 1/6/2020. PG&E has since corrected the form. b) Percentage gas-in-air in Odor Intensity Report for Aug 2021 was documented as 3.5% for L300B, which was outside the acceptable range. SED talked with the district GPOM supervisor, and he confirmed that it was a typo. The percentage gas in air should be 0.35%. c) The odor intensity reports were not reviewed/approved by the supervisor since Jan 2019 for Kettleman district.

PG&E should review the Odor intensity records in a timely manner and avoid errors in record documentation.

Response to Concern #2:

PG&E corrected the readings following the inspection in April 2022. Effective May 2022, the odor reports are reviewed and approved monthly by the supervisor to eliminate reoccurrence of such discrepancies going forward.

Concern #3:

Question Text	Do procedures include a methodology to collect, retain and analyze detailed information from detected natural gas leaks, including those eliminated by lubrication, adjustment, tightening or otherwise below thresholds for regulatory reporting? Do procedures contain mechanisms for minimizing natural gas emissions from operations and maintenance activities within a compressor station (i.e., beyond compressor/driver-specific procedures)?
References	49 U.S.C. 60108(a)
Issue Summary	SED staff believes PHMSA is stating in this question that PG&E needs to consider and track leaks eliminated by "tightening, lubrication and adjustment" going forward. PG&E should consider how these leaks will be tracked going forward. PG&E should develop procedures for minimizing natural gas emissions during O&M activities within compressor stations. Alternately, if PG&E currently has procedures in place, please provide references to those procedures in PG&E response to this concern.

Response to Concern #3:

PG&E has procedures in place to minimize natural gas emissions during O&M activities within a compressor station. PG&E tracks and analyzes the leaks detected quarterly by repair type (Tightening-Lubrication-Adjustment or TLA, Greased Fitting, Replacement Components, etc.). Please see "Attachment 4" for an example of PG&E's quarterly leak tracking statistics. Please also see "Attachment 5" (TD-4110P-36) for a copy of the specific leak survey procedures that are applicable.

Please contact Sajjad Azhar at (415) 418-9046 or s1at@pge.com for any questions you may have regarding this response.

Sincerely,

/s/ Kristina Castrence
Director, Safety and Compliance
Gas Engineering

cc: Dennis Lee, SED
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