



**Pacific Gas and  
Electric Company®**

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

Re: General Order 112-F Gas Inspection of PG&E's Transmission Integrity Management Program

Dear Mr. Eng:

Pacific Gas and Electric Company (PG&E) submits this response to the Safety and Enforcement Division's (SED) Post-Inspection Written Preliminary Findings (Summary) received November 21, 2024, stemming from the 2024 SED inspection of PG&E's Transmission Integrity Management Program (TIMP) conducted between August 5, 2024 through September 13, 2024.

For clarity, each of the six items identified in the Summary will be repeated, followed by PG&E's response.

**Unsatisfactory Result #1: Assessment and Repair: Internal Corrosion Direct Assessment (ICDA) (AR.IC)**

Question Title, ID Post-Assessment Evaluation and Monitoring, AR.IC.ICDAPOSTASSESS.R

Question 9. Do records demonstrate that the operator assessed the effectiveness of the ICDA process?

References 192.947(g) (192.927(c)(4)(i), 192.927(c)(4)(ii), 192.927(c)(4)(iii)(A), 192.477)

Assets Covered All TIMP Assets in PGEs System (TIMPAssets)

Issue Summary Title 49 Code of Federal Regulations (CFR) §192.927(c)(4)(i) states, in part:

*"An evaluation of the effectiveness of ICDA as an assessment method for addressing internal corrosion and determining whether a covered segment should be reassessed at more frequent intervals than those specified in § 192.939. An operator must carry out this evaluation within 1 year of conducting an ICDA;"*

SED reviewed ICDA projects' Report L – ICDA Performance and Effectiveness for the following projects: IC20-121, IC20-138, IC21-111A and IC21-124. SED found that two assessments were late in evaluating the effectiveness. They are IC21-111A and IC21-124. Both Report L dates were beyond the year requirements.

SED finds PG&E in violation for Title 49 CFR §192.927(c)(4)(i) for failing to conduct the evaluation within 1 year of conducting an ICDA.

**Response to Unsatisfactory Result #1:**

PG&E agrees with the SED's finding that PG&E is in violation of Title 49 CFR §192.927(c)(4)(i).

This section of code requires the effectiveness evaluation to be performed within one year of conducting an ICDA. PG&E had aligned this one-year timeframe with FAQ-41 and interpreted this requirement as one calendar year (i.e., by December 31 of the following calendar year). However, as a result of the SED finding, because the code language says within one year of completion of an ICDA, PG&E agrees this is intended to be within one year (365 days) and not one calendar year from conducting an ICDA. The effectiveness evaluation for projects for IC21-111A and IC21-124 occurred one day and 61 days, respectively, beyond one year of conducting the ICDA. Since both evaluations were beyond the one-year time requirement, both projects were in violation of Title 49 CFR §192.927(c)(4)(i). This requirement is currently in the ICDA procedure TD-4810P-10, and PG&E will ensure the effectiveness evaluation will occur within one year of conducting an ICDA for all future ICDA projects.

## **Unsatisfactory Result #2: Assessment and Repair: Stress Corrosion Cracking Direct Assessment (SCCDA) (AR.SCC)**

Question Title, ID Qualification of Operator Personnel Who Evaluate SCCDA, AR.SCC.SCCDAREVQUAL.R

Question 17. Do records demonstrate that operator/vendor personnel, including supervisors, who conduct assessments or review assessment results, are qualified for the tasks they perform?

References 192.947(e), (192.915(a), 192.915(b))

Assets Covered All TIMP Assets in PGEs System (TIMPAssets)

Issue Summary Title 49 CFR §192.947(e) states, in part:

*"Documents that demonstrate personnel have the required training, including a description of the training program, in accordance with § 192.915;"*

*Title 49 CFR §192.915(b) states, in part:*

*"Persons who carry out assessments and evaluate assessment results. The integrity management program must provide criteria for the qualification of any person—*

*(1) Who conducts an integrity assessment allowed under this subpart; or*

*(2) Who reviews and analyzes the results from an integrity assessment and evaluation; or*

*(3) Who makes decisions on actions to be taken based on these assessments."*

PG&E's Utilities Procedure TD-4810S Rev 3a effective 7/1/2020 states, in part:

*"The TIMP roles identified in Table 1 are required to complete training on an annual basis. Employees new to TIMP are required to complete training within 1 year of placement in the position. Training records are found on the PG&E intranet under My Learning, and maybe supplemented with additional electronic and hard copy materials."*

SED requested the TIMP training records for 2020. PG&E was unable to provide the records. PG&E provided the following response (ref. attachment 1):

*"There are no electronic training records for the 2020 calendar year that I am able to find. Typically, past trainings were done in person and usually only contained a physical paper sign-in roster sheet that cannot be located. Knowledge checks weren't always done in the past and this may likely be the case for this year."*

SED finds PG&E in violation for Title 49 CFR §192.947(e) for failing to document training records that demonstrate personnel have the required training, including a description of the training program.

SED also reviewed TIMP training records from 2021-2023. SED identified inconsistent grading criteria with no procedure that provided the method of delivery, content or grading



(ref attachment 1). This resulted in inconsistencies in the evaluation of personnel without a concise method for evaluating assessment results.

SED finds PG&E in violation for Title 49 CFR §192.915(b) for failing to provide for the qualification of any person who conducts an integrity assessment, who reviews and analyze the results from an integrity assessment and evaluation, and who makes decisions on actions to be taken based on these assessments.

### **Response to Unsatisfactory Result #2:**

PG&E agrees with SED's finding that PG&E is in violation of Title 49 CFR §192.915(b) and 49 CFR §192.947(e).

PG&E is in the process of moving its Integrity Management training into PG&E's Enterprise Learning & Development platform. This platform will allow for effective reporting and tracking of training completion, provides a more robust quality training that is accessible at any time, and employees are profiled based on their job description. This project is set to be completed by the end of Q1 2025. In addition, PG&E is working to define and document what qualifications each TIMP role at every level needs to meet; this is set to be completed in 2025.

This item is documented in PG&E's Corrective Action Program issue 125415231, which was provided to SED during the inspection on September 13, 2024.

### **Unsatisfactory Result #3: Assessment and Repair: In-Line Inspection (Smart Pigs) (AR.IL)**

Question Title, ID Integrity Assessments that were Not Performed as Scheduled or Within Required Timeframes, AR.IL.IDELAY.R

Question 15. Do records indicate that the performance of integrity assessments has been delayed and integrity assessment delays have been justified?

References 192.947(d) (192.909(a), 192.909(b), 192.943(a), 192.943(b), 190.341, 192.18)

Assets Covered All TIMP Assets in PGEs System (TIMPAssets)

Issue Summary Title 49 CFR §192.605(a) states, in part:

*"General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response."*

PG&E's Gas Transmission Integrity Management Program Utility Standard TD-4810S Rev. 4, Effective Date: 09/15/2021, Paragraph 8.1.4 states, in part:

*"...Covered pipeline segments that have been found to require an integrity assessment for axial SCC must be scheduled for an assessment within 5 years of the identification date, not to exceed the 7-year reassessment interval for the covered segment prescribed in 49 CFR §192.939."*

SED reviewed PG&E Project ID: I-521B & Project ID:581B of Line 300B & identified the following non-conformance:

The Risk & Threat Assessment Data provided (ref. DR#41 - SCC21-300B Risk and Threat Data.xlsx) identified SCC HpH & SCC NN Axial Threat as 'moderate' & 'strong', respectively on 4/29/2013. This record also included assessment due dates of 12/31/2021 for both HpH Axial SCC Assessment Due Date & NN Axial SCC Assessment Due Date.

Integrity Management Exception Report MoC #1077 F03 Exception Report (DR#53) dated 6/13/2022 was created to change the SCC re-assessment interval from 5 years for 'Strong' threats & 7 years for 'Moderate' threats per TD-4810S 'Gas Transmission Management Program' Rev 4 Effective date 09/15/2021 to 10 years per Title 49 CFR §192.921(f).

SED finds PG&E in violation of Title 49 CFR §192.605(a) prior to the submission of MoC #1077 (as it was submitted after the violation) for not completing the prescribed assessment within PG&E's 5-year requirement per PG&E "Gas Transmission Integrity

Management Program Utility Standard TD-4810S Rev. 4, Effective Date: 09/15/2021,  
Paragraph 8.1.4.

### **Response to Unsatisfactory Result #3:**

PG&E agrees with SED's finding that PG&E is in violation of Title 49 CFR §192.605(a).

The SCC21-300B project was assigned to assess both the High pH & Near Neutral Stress Corrosion Cracking (SCC) threat, both of which had a December 31, 2021 assessment due date. At the time of this assessment in 2021, Stress Corrosion Cracking Direct Assessment (SCCDA) was recognized as an approved assessment method for High pH SCC but not Near Neutral SCC. PG&E was in the process of seeking PHMSA approval to use SCCDA to address the Near Neutral SCC threat as "other technology." However, approval was not granted by PHMSA in 2021 and therefore SCCDA could not be the official assessment method to address the Near Neutral SCC threat. Integrity Management Exception Report MoC #1077, dated June 13, 2022, was created to change the SCC re-assessment interval. However, this occurred after the December 31, 2021 due date of the assessment.

This violation will not be an issue going forward since the new Federal Regulations (published August 24, 2022) now allow SCCDA to be used to address the Near Neutral SCC threat and therefore an "other technology" notification will not be required.

### **Concern #1: Assessment and Repair: In-Line Inspection (Smart Pigs) (AR.IL)**

Question Title, ID In-Line Inspection, AR.IL.ILCORR.R

Question 20. Do records demonstrate that required actions are being taken to address significant corrosion threats identified during in-line inspections?

References 192.933 (192.917(e)(5))

Assets Covered All TIMP Assets in PGEs System (TIMPAssets)

Issue Summary Based on PG&E's data request responses to DR #72, DR #98, DR #105 and DR #115, SED **recommends** that PG&E develop a summary Form identifying if PG&E found similar segments per **Title 49 CFR §192.917(e)(5)** and the definition in PG&E's process. Also, PG&E should list those similar segments if applicable. This recommendation is to facilitate PG&E's own record keeping about this requirement and SED's auditing of the Title 49 CFR §192.917(e)(5) requirement in code.

### **Response to Concern #1:**

This item is documented in PG&E's Corrective Action Program issue 129636810 with a targeted completion date of March 31, 2025. The team is working to develop a more systematic process per 192.917(e)(5).

### **Concern #2: Integrity Management: High Consequence Areas (IM.HC)**

Question Title, ID IM High Consequence Areas – HCA Identification, IM.HC.HCAID.P

Question 1. Does the process include the methods defined in 192.903 High Consequence Area (Method 1) and/or 192.903 High Consequence Area (Method 2) to be applied to each pipeline for the identification of high consequence areas?

References 192.905(a)

Assets Covered All TIMP Assets in PGEs System (TIMPAssets)

Issue Summary SED reviewed PG&E's Utility Procedure TD-4127P-05 "Criteria for Identifying Moderate and High Consequence Areas" and found that the list of High Consequence Area (HCA) determination codes in this procedure was not used in PG&E's records. The following list is the set of HCA determination codes in table 2 of TD-4127P-05:



- Code A: Qualifies as HCA, based on structure count of 20 or more structures intended for human occupancy within the HCA
- Code B: Qualifies as HCA, based on Method 1 analysis per GO 112-F
- Code I: Qualifies as HCA, based on identified site OR identified site and 20 or more structures

However, based on PG&E's response to SED's data request number 50, the following list is the set of HCA determination codes used in PG&E's records:

- Code A: HCA due to 20+ structures
- Code B: HCA due to 20+ structures AND an ID site
- Code C: HCA due to Method 1
- Code I: HCA due to Identified site

According to PG&E, Utility Procedure TD-4127P-05 will be updated to reflect the set of HCA determination codes used in its records. Please provide SED with an **update** on the status of this change in PG&E's response letter.

### **Response to Concern #2:**

This item is documented in PG&E's Corrective Action Program issue 129556542 with a targeted completion date of February 28, 2025. Utility Procedure TD-4127P-05 will be updated to reflect the HCA determination codes used in the records.

### **Concern #3: Integrity Management: Quality Assurance (IM.QA)**

Question Title, ID Invoking Non-Mandatory Statements in Standards, IM.QA.IMNONMANDT.P

Question 2. Does the process include requirements that non-mandatory requirements (e.g., "should" statements) from industry standards or other documents invoked by Subpart O (e.g., ASME B31.8S-2004 and NACE SP0502-2010) be addressed by an appropriate approach?

References 192.7(a)

Assets Covered All TIMP Assets in PGEs System (TIMPAssets)

Issue Summary DR#28- PG&E to verify TIMP standards treat "should" statements from industry standards as mandatory unless PG&E has a justification for not doing so. PG&E showed that the requirement is in the ECDA process TD-4810P-90 under definitions but no proof it's in all the other industry standards incorporated by reference into Part 192 where "should" statements are included. Nor are there any general statements stating "should" statements shall be followed for all standards.

Please provide an update on how PG&E meets this requirement.

### **Response to Concern #3:**

TIMP's intent is to address all "should" statements from industry standards as mandatory. Any deviation would be subject to a management of change. PG&E is reviewing "should" statements incorporated by reference and reviewing standards to determine appropriate language. This item is documented in PG&E's Corrective Action Program issue 129556542 with a targeted completion date of June 30, 2025.

Please contact [REDACTED] for any questions you may have regarding this response.

Sincerely,



Kristina Castrence  
Sr. Director, Gas Regulatory and Risk  
Gas Engineering

cc: Claudia Almengor, CPUC  
Dennis Lee, CPUC  
Paul Penney, CPUC  
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