PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



April 3, 2024

GI-2024-02-PGE-10-02ABC

Ms. Christine Cowsert Senior Vice President, Gas Engineering Pacific Gas and Electric Company Gas Transmission and Distribution Operations 6121 Bollinger Canyon Road San Ramon, CA 94583

SUBJECT: General Order (GO) 112-F Gas Inspection of PG&E's Sonoma Division

Dear Ms. Cowsert:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission, Hengyao Chen (Henry), Kai Cheung, Aleksandr Fastovich, and Dylan Glass conducted a General Order 112-F inspection of Pacific Gas & Electric Company's (PG&E) Sonoma Division (Division) on February 26 – March 8, 2024. The inspection included a review of the Division's records for the period of 2020 through 2023, as well as a representative field sample of the Division's facilities. SED staff also reviewed the Division's operator qualification (OQ) records, which included field observation of randomly selected individuals performing covered tasks.

SED's findings are noted in the Post-Inspection Written Preliminary Findings (Summary) which is enclosed with this letter. The Summary reflects only those particular records and pipeline facilities that SED inspected during the inspection. SED discovered three (3) probable violations and four (4) concerns during the inspection.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by PG&E to address the concerns noted in the Summary.

If you have any questions, please contact Hengyao Chen at (415) 214-4173 or by email at hengyao.chen@cpuc.ca.gov.

Sincerely,

Terence Eng, P.E. Program Manager Gas Safety and Reliability Branch Safety and Enforcement Division

Enclosure: Post-Inspection Written Preliminary Findings

 cc: Ryan Weber, PG&E Gas Regulatory Compliance Sajjad Azhar, PG&E Gas Regulatory Compliance Susie Richmond, PG&E Gas Regulatory Compliance Kristina Castrence, PG&E Frances Yee, PG&E Dennis Lee, SED Claudia Almengor, SED

Post-Inspection Written Preliminary Findings

Dates of Inspection: 2/26/2024-3/1/2024, 3/4/2024-3/8/2024

Operator: PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Inspection Systems: Distribution

Assets (Unit IDs) with results in this report: Sonoma Division (85398)

System Type: GD

Inspection Name: PG&E Sonoma Division

Lead Inspector: Chen, Hengyao

Operator Representative: Azhar, Sajjad

Unsatisfactory Results

Time-Dependent Threats: Atmospheric Corrosion (TD.ATM)

Question Title, ID Atmospheric Corrosion Monitoring, TD.ATM.ATMCORRODEINSP.R Question 4. Do records document inspection of aboveground pipe for atmospheric corrosion? References 192.491(c) (192.481(a), 192.481(b), 192.481(c), 192.481(d)) Assets Covered Sonoma Division (SD) Issue Summary Title 49 CFR Part 192.605(a) states, "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 Utility Procedure TD-4188P-02 (Publication Date:1/16/2019, Effective Date:4/16/2019 Rev:1) requires the corrosion technician to contact the local supervisor to create a corrective to recoat when they discover an abnormal operating condition (AOC) consisting of light surface rust or coating issues at air-to-soil transitions.

PG&E's Utility Procedure TD-4188S (Publication Date:2/17/2016, Effective Date: 1/1/2017) Section 4 "Mitigation", states, in part: "The mitigation timeline of atmospheric corrosion-related abnormal operating conditions (AOCs) found during monitoring must not exceed thirty-nine months from the date of the AOC identification..."

SED reviewed atmospheric corrosion inspection records of the below four spans and noted the following:

- Equipment#44999359: PG&E identified that this span had coating issues at the air-to-soil transitions on 8/29/2020 and again on 3/11/2023, indicating that PG&E has not remediated the AOC. PG&E confirmed that the first notification ticket (ticket#120236198) they created was on 12/28/2020, followed by another corrective ticket (ticket#45698103) on 3/11/23; however, the previous tickets were cancelled as they have been converted to a replacement project with order number PM45698103 and new notification#125641096.
- Equipment#44999356: PG&E identified that this span had corrosion and coating issues at airto-soil transitions on 8/29/2020 and again on 3/11/2023, indicating the PG&E has not remediated the AOC. PG&E confirmed that the first notification ticket (ticket#120236334) they created was on 12/28/2020, and the ticket was cancelled as it has been converted to a replacement project with order number PM45698102 and new notification#25641094.
- 3. **Equipment#44999354**:PG&E identified that this span had coating issues at air-to-soil transitions on 8/29/2020 and again on 3/15/2022, indicating the PG&E has not remediated the AOC. PG&E confirmed that the first notification ticket (ticket#12023884) they created was on 12/29/2020 and the ticket was cancelled as it has been converted to a replacement project with order number PM35342195 and new notification#123361474.
- 4. Equipment#44999367: PG&E identified that this span had corrosion issues at air-to-soil transition on 8/28/2020 and again on 3/16/2022, indicating the PG&E has not remediated the AOC. PG&E confirmed that the first notification ticket (ticket#120234711) they created was on 12/26/2020, and the ticket was canceled as it has been converted to a replacement project with order number PM47035252 and new notification#128250126.

By the end of SED's inspection, March 8, 2024, PG&E still had not remediated the AOCs, thus exceeding the 39-month timeline specified in TD-4188S. Based on the information gathered, SED found PG&E in violation of Title 49 CFR Part 192.605(a) for failing to follow its Utility Procedure TD-4188S by not mitigating the AOCs within 39 months of identification.

Time-Dependent Threats: External Corrosion - CP Monitoring (TD.CPMONITOR)

Question Title, ID Correction of Corrosion Control Deficiencies, TD.CPMONITOR.DEFICIENCY.R

Question 13. Do records adequately document actions taken to correct any identified deficiencies in corrosion control?

References 192.491(c) (192.465(d))

Assets Covered Sonoma Division (SD)

Issue Summary Title 49 CFR Part 192.465(d) states, "Each operator must promptly correct any deficiencies indicated by the inspection and testing required by paragraphs (a) through (c) of this section. For onshore gas transmission pipelines, each operator must develop a remedial action plan and apply for any necessary permits within 6 months of completing the inspection or testing that identified the deficiency. <u>Remedial action must be completed promptly, but no later than the earliest of the following: prior to the next inspection or test interval required by this section; within 1 year, not to exceed 15 months, of the inspection or test that identified the deficiency; or as soon as practicable, not to exceed 6 months, after obtaining any necessary permits." (emphasis added)</u>

> PG&E's Utility Standard: TD-4181S (Publication Date:9/19/2018, Effective Date: 10/01/2018 Rev:2), Section 7.4, states, " *To ensure facilities are protected until the next monitoring cycle, a drivable anode must be installed if the P/S potentials are less negative than -900 mV with reference to a copper-copper sulfate electrode, with CP current applied.*" And Section 8.4 states, "*CPAs must be restored within 12*

months from the date the CPA is found below adequate levels of protection, not to exceed 15 months to the date, per Pipeline and Hazardous Materials Safety Administration (PHMSA) Inspection Guideline and Interpretation #PI-89-006 for 49 CFR Part 192.465(d)."

SED reviewed isolated steel (10%er) inspection records of the below equipment. SED noted that PG&E identified the pipe-to-soil (P/S) potentials are less negative than -900mV since 2021 or 2022 and the first notifications were created after the follow-up read in next year or in the same year. However, PG&E did not take prompt remedial action to correct the low CP deficiencies.

Equipment	Tech Inspection Date	Read (mV)	Notification Number	Notification First Creation
(10%er)				Date
45201969	10/01/2021	-230.00		
45201969	09/20/2022	-230.00	124606938	10/01/2022
45202067	10/04/2021	-318.00		
45202067	09/26/2022	-430.00	124836847	11/02/2022
45202185	10/01/2021	208.00		
45202185	09/27/2022	-237.00	124839243	11/02/2022
45202187	10/28/2021	-385.00		
45202187	09/26/2022	-441.00	124836845	11/05/2022
45202203	10/07/2021	-200.00		
45202203	09/21/2022	-195.00	124761431	10/22/2022
45270887	03/08/2022	-156.00		
45270887	10/03/2022	-180.00	124881478	11/12/2022
45317423	06/08/2022	-867.00	124373012	08/25/2022

During field observation, SED noted the following read points were still low:

Equipment (10%er)	Current (P/S) Read	Last (P/S) Read
45202022	-816mV on 3/6/2024	-897mV on 12/6/2023
45202203	-160mV on 3/6/2024	-195mV on 9/21/2022
45270887	-183mV on 3/7/2024	-180mV on 10/3/2022

By the end of SED's inspection, March 8, 2024, PG&E still had not remediated the AOCs for the above equipment except Equipment#45202022, thus exceeding the 15-month timeline specified in TD-4181S. Based on the information gathered, SED found PG&E in violation of Title 49 CFR Part 192.465(d) for not taking prompt remedial action within 15 months, of the inspection or test that identified the deficiency; PG&E is also in violation of Title 49 CFR Part 192.605(a) for failing to follow its Utility Procedure TD-4181S by not mitigating the AOCs within 15 months of identification.

Time-Dependent Threats: External Corrosion - Cathodic Protection (TD.CP)

Question Title, ID Isolation from Other Metallic Structures, TD.CP.ELECISOLATE.P

Question 10. Does the process give adequate guidance for electrically isolating each buried or submerged pipeline from other metallic structures unless they electrically interconnect and cathodically protect the pipeline and the other structures as a single unit?

References 192.605(b)(2) (192.467(a), 192.467(b), 192.467(c), 192.467(d), 192.467(e))

Assets Covered Sonoma Division (SD)

Issue Summary Title 49 CFR Part 192.605(b)(2) states: "(b)Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations. (2) Controlling corrosion in accordance with the operations and maintenance requirements of subpart I of this part."

SED reviewed the below two utility procedures and noted that both procedures don't apply to distribution pipeline cased crossings:

- Utility Procedure:TD-4181P-601(Publication Date:10/17/2018, Effective Date:10/17/2018 Rev.0c) – "Testing Procedures for Pipe Casings"
- Utility Procedure:TD-4181P-602 (Publication Date:09/16/2015, Effective Date:01/01/2016 Rev:1) – "Mitigating Casing Contacts"

PG&E corrosion field personnel have used the Utility Procedure:TD-4181P-601 as guidance to perform the annual casing testing between 2020 and 2023. PG&E responded that "*Until the (latest) revision the corrosion technicians used <u>the existing testing knowledge and techniques per TD-4181P-601</u> while PG&E transitioned the distribution casings from program driven to maintenance driven assets".*

PG&E also provided a new revision of the Utility Procedure:TD-4181P-601(Publication Date:12/20/2023, Effective Date:3/1/2024 Rev1) and stated this new procedure applies to gas distribution cased crossings.

In addition, PG&E also confirmed that they are currently working on adding distribution casing mitigation procedures to TD-4181P-602, however it currently only has details for transmission casing mitigation procedures.

Based on the information gathered, PG&E did not provide adequate distribution casing testing or mitigation procedures for corrosion personnel to follow between 2020 and 2023. Therefore, SED found PG&E in violation of Title 49 CFR Part 192.605(b)(2) by failing to provide adequate written procedures for electrically isolating buried distribution pipeline from other metallic structures.

Concerns

Time-Dependent Threats: Atmospheric Corrosion (TD.ATM)

Question Title, ID Atmospheric Corrosion Monitoring, TD.ATM.ATMCORRODEINSP.R

Question 4. Do records document inspection of aboveground pipe for atmospheric corrosion?

References 192.491(c) (192.481(a), 192.481(b), 192.481(c), 192.481(d))

Assets Covered Sonoma Division (SD)

Issue Summary SED reviewed the atmospheric corrosion (AC) inspection records of the following spans and noted the AC inspection form (i.e. Pronto form) requires corrosion personnel to enter reason(s) if they entered "NONE" under "Action Taken" section; however, SED noted the below corrosion personnel did not properly fill out the form as they only marked "NONE" without entering any reason(s). PG&E responded that "When the field technician enters "none" for "action taken" on Pronto forms, it literally means no action was taken by the technician. However, the technician can initiate a work request notification if any action is required (although no action was taken by the technician). Pronto forms for Span Inspection are currently designed to input reason when "none" is selected in the "action taken" field. PG&E will look into improving the Pronto form to clarify any confusion that may result from such requirements."

Equipment	Date of Inspection	Tech LAN ID
44463543	3/23/2022	S2LB
44463548	3/22/2022	FIA1
44463585	3/18/2022	FIA1
44947200	3/23/2023	EASO
44998704	3/22/2023	EASO
44999348	3/15/2022	S2LB
44999354	3/15/2022	S2LB
44999367	3/16/2022	S2LB

SED recommends that PG&E update its relevant procedure(s) to ensure corrosion personnel properly records their inspection results to prevent recurrence.

Design and Construction: Meters, Service Regulators, and Service Lines (DC.METERREGSVC)

Ouestion Title, ID Customer Meters and Regulator Location, DC.METERREGSVC.CUSTMETERREGLOC.O Ouestion 1. Are meters and service regulators being located consistent with the requirements of 192.353? References 192.351 (192.353(a), 192.353(b), 192.353(c), 192.353(d)) Assets Covered Sonoma Division (SD) Issue Summary On 3/7/24, SED observed a qualified PG&E leak survey personnel perform an annual and 5-year leak survey. The leak surveyor found atmospheric corrosion at the bottom of the customer meter at Ukiah, CA 95482. The leak survey personnel created a notification ticket on the same date. SED requests that PG&E provide an update after completing any corrective actions. Question Title, ID Customer Meters and Regulator Protection, DC.METERREGSVC.CUSTMETERREGPROT.O Question 2. Are meters and service regulators being protected from damage consistent with the requirements of 192.355? References 192.351 (192.355(a), 192.355(b), 192.355(c)) Assets Covered Sonoma Division (SD) Issue Summary On 3/7/24, SED observed a gualified PG&E leak survey personnel perform an annual and 5-year leak survey. The leak surveyor found a missing service regulator venting screen at 📕 Ukiah, CA 95482. The leak survey personnel created a notification ticket on the same date. SED requests that PG&E provide an update after completing any corrective actions.

Generic Questions: Generic Questions (GENERIC.GENERIC)

Question Title, ID Generic Question, GENERIC.GENERIC.GENOBSERVE.O

Question 1. Generic question - please provide context in result notes.

References 192.161

Assets Covered Sonoma Division (SD)

Issue Summary On 3/6/24, SED observed exposed pipes (spans) and noted the following AOCs:

1. Equipment#44998690:

a) Metal wires were wrapped around two segments of the main body of the pipe.

b) The contact areas between the metal wire and pipe had surface rust and small coating holidays.

2. Equipment#44999356: Unauthorized pipe was installed along the span and the bottom of the pipe was in contact with the top of the span.

PG&E confirmed that they have created a replacement project with order number PM45811787 and new notification#126277769 for Equipment#44998690 and a replacement project with order number PM45698102 and new notification#125641094 for Equipment#44999356.

SED requests that PG&E provide an update on any corrective actions taken.