PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

November 21, 2024



GI-2024-09-PGE-29-09

Austin Hastings Vice President, Gas Engineering Pacific Gas and Electric Company 6121 Bollinger Canyon Road San Ramon, CA 94583

SUBJECT: General Order (GO) 112-F Gas Inspection of PG&E's Distribution Integrity Management Program (DIMP)

Dear Mr. Hastings:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Pacific Gas & Electric Company's (PG&E) Distribution Integrity Management Program (DIMP). The inspection took place between September 9-13 and 16-20, 2024.

SED's findings are noted in the Summary of Inspection Findings (Summary) which is enclosed with this letter. The Summary reflects only those particular records that SED inspected during the inspection. SED discovered five 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 finding noted in the Summary.

If you have any questions, please contact Sikandar Khatri at (415) 703-2565 or by email at <u>Sikandar.Khatri@cpuc.ca.gov</u>.

Sincerely,

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Dennis Lee, P.E. Program and Project Supervisor Gas Safety and Reliability Branch Safety and Enforcement Division

Enclosure: Summary of Inspection Findings

cc: Brian Stout, PG&E Terence Eng, SED Claudia Almengor, SED

Summary of Inspection Findings (Summary)

Dates of Inspection: September 9-13 and 16-20, 2024

Operator: PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Inspection Systems: Distribution

Assets (Unit IDs) with results in this report: Main Office (Specialized Inspections) (86283)

System Type: GD

Inspection Name: 2024 PG&E DIMP Inspection

Lead Inspector: Sikandar Khatri

Operator Representative: Sajjad Azhar

Unsatisfactory Results

No Preliminary Findings.

Concerns

Gas Distribution Integrity Management : Knowledge of the System (GDIM.KN)

Question Title, ID System Knowledge - Information Needed, GDIM.RA.INFONEEDS.R

Question 4. Does the plan list the additional information needed to fill gaps due to missing, inaccurate, or incomplete records?

References 192.1007(a)(3)

Assets Covered Main Office (Specialized Inspections) (86283 (29))

Issue Summary PG&E stated that for the 2024 DIMP Cycle, the missing attributes have been identified and are being reviewed for further action per TD-4850P-01, Rev. 5, section 4.5.1.a. The same process is repeated every cycle. In addition, PG&E stated that currently several attributes have existing projects or routine Operation and Maintenance (O&M) processes to populate missing information.

> PG&E has identified six attributes as 'missing' (REF: Data Request responses 25-01 and 27-01). This includes among others "INSTALLATIONMETHOD" for services with 77% percentage missing information and "CPPROTECTIONTYPEDESC" for mains with 28% missing information, and additionally there is missing information about the attribute "PLASTICTYPEDESC". On an inquiry, PG&E reported the distribution of missing records over

various decades. This missing attribute distribution indicates that there is information missing for considerable number of segments installed over the period 2001 -2023 (this is relatively recent data), and this is an alarming situation. In the same data responses, PG&E stated the various processes are in place for acquiring the missing information, while for three items "INSTALLATIONMETHOD", "COATINGTYPEDESC" and "JOINTTRENCHINDICATOR", the various methods are being explored.

Since, these attributes are important for risk assessment, PG&E shall make sure such data gaps do not occur in the future, while also continue its efforts to fill the existing gaps. In addition, PG&E should consider including "PLASTICTYPEDESC" variable into risk assessment model to differentiate between various types of plastic pipe.

Gas Distribution Integrity Management : Identify Threats (GDIM.TH)

Question Title, ID Identify Threats - Information Considered, GDIM.RA.INFOCONSIDERED.P

Question 1. Did the operator consider the information that was reasonably available to identify existing and potential threats?

References 192.1007(b)

Assets Covered Main Office (Specialized Inspections) (86283 (29))

Issue Summary SED reviewed procedure TD-4850P-01, Rev5, Section 5, "Threat Identification Process".

PG&E procedure TD-4850P-01 Rev. 5, section 5.2.4 uses the term "Near-hit" instead of "Near Miss" as referred in GO 112-F, Section 105 "Definitions". The "Near Miss" terminology is also widely used in the natural gas industry. Additionally, PG&E's procedure has defined "Near-hit" under "Definitions" and stated as adapted from GO 112-F. However, it is missing one item "(d) An incorrectly mapped pipeline facility" stated in GO 112-F.

Therefore, PG&E, where applicable, shall rename "Near-hit" as "Near Miss" and completely adopt the definition of GO 112-F.

Gas Distribution Integrity Management : Measure Performance and Evaluate Effectiveness (GDIM.EV)

Question Title, ID Measure Performance - Baseline, GDIM.QA.PERFMEASUREBASELINE.P

Question 1. Does the plan contain procedures for how the operator established a baseline for each performance measure?

References 192.1007(e)

Assets Covered Main Office (Specialized Inspections) (86283 (29))

Issue Summary SED reviewed the following procedures that PG&E uses to establish a baseline for each performance measure:

- TD-4850P-01 Rev 5 1/1/24
 - Section 8.3 Baseline discusses methods for establishing a baseline and part 5 states "A mitigation baseline is established for each threat identified from the performance data used in the MA analysis, measuring the effectiveness of mitigation activities. Each mitigation baseline is defined in DIMP Manual, Attachment A."
- Attachment A Rev 10 "Mitigation Activities"
 - Section 2.0 ATTACHMENT A CRITERIA describes effectiveness baseline, effectiveness measurements and
 - Section 3.0 ATTACHMENT A BASELINE AND EFFECTIVENESS MEASUREMENT CRITERIA states "Use the repaired leaks in the DIMP cycle (5 years of data) for the specific threat, line use, leak source or risk identified in the specified Job, Plat, Division or District."
 - For mitigation activities that reduce the consequences of an event there are no effectiveness measurements - see #116 in Attachment A Section 5 #116 where damage by earth

PG&E should establish a measurable baseline for all risks being mitigated so that the effectiveness can be evaluated.

Gas Distribution Integrity Management : GDIM Implementation (GDIM.IMPL)

Question Title, ID System Knowledge - Data Collection Forms, GDIM.RA.DATAFORMIMPL.R

Question 7. Are data collection forms used in conjunction with the operator's DIMP plan being fully and accurately completed?

References 192.1007(a)

Assets Covered Main Office (Specialized Inspections) (86283 (29))

Issue Summary SED reviewed TD-4461P-20 Rev 4 "Gas Distribution As-Built Documentation Process," which details the process of compiling and submitting the complete as-built records. PG&E has a QC process, final review, and "Checklist for Gas Distribution As-Built Records" (TD-4461P-20-F01) for as-built documentation. Additionally, PG&E has procedure TD-5100P-01 "Leak Repair and Pipe Inspection Documentation" for documenting leak repairs and uses forms TD-5100P-01-F01 "Leak Repair A-Form" and TD-5100P-01-F03 "Pipe Inspection Form" for this purpose.

SED reviewed sample data collection forms which included leak repair forms (A-form), Pipe Inspection Form and GSR (Gas Service Record) form. It was found that:

1. Leak repair form (Leak # 122951052):

Section "Repair Data" – Repair remarks state, "weld on new threaded nipple", but same section for the field "weld performed" states "No".

In response to a data request, PG&E stated that this will be checked and corrected, if needed.

2. Pipe Inspection Form (Leak repair/OCW Notification No. 126139347):

This is steel service leak repair. There is information about 'internal corrosion', however, there are no observations reported for 'external corrosion'.

Therefore, PG&E should ensure that all data collection forms used in conjunction with its DIMP program are fully and accurately completed.

Question Title, ID Periodic Evaluation - Implementation (Frequency), GDIM.CA.PERIODICEVALFREQIMPL.R

Question 27. Have periodic evaluations of the DIMP plan been performed on the frequency specified in the plan? [If a periodic evaluation has not been required since plan implementation or the last inspection, mark questions 27-32 as "N/A".]

References 192.1007(f)

Assets Covered Main Office (Specialized Inspections) (86283 (29))

Issue Summary SED reviewed DIMP procedure TD-4850P-01 Rev 5 (Effective 1/1/24) section 9 "Program Evaluation and Continuous Improvement" which covers evaluation of the DIMP plan. The DIMP cycles are tracked through CAP (Corrective Action Program) numbers, PG&E provided the same for the years 2020-2024.

In addition to DIMP cycles, PG&E should consider carrying out a comprehensive evaluation every five years that will provide a wider perspective and meaningful insight into the performance of DIMP program over 5-years period.