

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 30, 2025

Mr. Austin Hastings
Vice President, Gas Engineering
Pacific Gas and Electric Company
Gas Transmission and Distribution Operations
6121 Bollinger Canyon Road
San Ramon, CA 94583

GI-2025-02-PGE-07-02ABC

SUBJECT: SED's Closure Letter for General Order (GO) 112-F Gas Inspection of PG&E's DeAnza Division

Dear Mr. Hastings:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed Pacific Gas & Electric Company's (PG&E) response letter dated May 9, 2025 for the findings identified during the General Order 112-F inspection of PG&E's DeAnza Division (Division) which was conducted from February 3 through February 14, 2025.

A summary of the inspection findings documented by SED, PG&E's response to our findings, and SED's evaluation of PG&E's response taken for each identified Violation and Area of Concern is attached.

This letter serves as the official closure of the 2025 GO 112-F inspection of PG&E's DeAnza Division and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program or a formal proceeding.

Thank you for your cooperation in this inspection. If you have any questions, please contact Dylan Glass at (279) 202-4396 or by email at dylan.glass@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Terence Eng".

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

Enclosure: Post-Inspection Written Findings

cc: [REDACTED], PG&E Gas Regulatory Compliance
[REDACTED], PG&E
[REDACTED], PG&E
Dennis Lee, SED
Jason McMillan, SED
Claudia Almengor, SED

Post-Inspection Written Preliminary Findings

Dates of Inspection: 02/03/2025 – 02/14/2025

Operator: PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Inspection Systems: DeAnza Gas Distribution

Assets (Unit IDs) with results in this report: DeAnza Division (85400)

System Type: GD

Inspection Name: PG&E DeAnza Division

Lead Inspector: Dylan Glass

Operator Representative: [REDACTED]

Unsatisfactory Results

Facilities and Storage : Facilities General (FS.FG)

Question Title, ID Vault Inspection, FS.FG.VAULTINSPECT.R

Question 3. Do records document the adequacy of inspections of all vaults having an internal volume =200 cubic feet (5.66 cubic meters) that house pressure regulating/limiting equipment?

References 192.709(c) (192.749(a), 192.749(b), 192.749(c), 192.749(d))

Assets Covered DeAnza Division (85400 (7))

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

"(a) 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."

Utility Procedure TD-4540P-01 "Maintenance of Regulator Stations (Non-HPR, HPR) and Farm Tap Sets" (Publication Date:01/26/2023, Effective Date:01/26/23, Rev:2c), Section 5 requires that the field personnel check for combustible gases per Utility Procedure TD-4414P-10 before entering any pit or vault.

Utility Procedure TD-4414P-10 - "Gas Operations Entry Into Other Confined Spaces"
(Publication Date: 08/18/2021 Effective Date: 08/31/2021 Rev: 0a), Section 3.1 states in part:

"Before opening the Other Confined Spaces (OCS), all personnel on site perform a job site tailboard briefing per Utility Procedure TD-4414P-01, "Tailboard Briefing and Job Site Safety Analysis (JSSA) for Gas Operations," with specific attention to confined space hazard assessment"

Section 5.1 of the same procedure states:

"At a minimum, air monitoring results must be recorded before initial entry and before re-entry if all entrants have exited the space."

Utility Procedure TD-4414P-01 -"Tailboard Briefing and Job Site Safety Analysis (JSSA) for Gas Operations" (Publication Date:11/15/2017, Effective Date:03/01/2018, Rev:0), Section 5.2 states:

"Retain Record per the Record Retention Schedule

1. *The JSSA is a Group-B as-build record." and Section 4.2 states: "Record initial air testing results on Form TD-4414P-10-F01."*

SED reviewed a set of selected Regulator Station maintenance record binders (see below table) and found that PG&E is missing either the Job Site Safety Analysis (JSSA) form or Other Confined Spaces (OCS) form (i.e. TD-4414P-10-F01). This was an issue found on records spanning multiple years.

Type Of Document	Binder's Number	Missing Records Year(s)
OCS Form	A26, B4, B36, B42, C10, C14, C18, C20, C22, C24, C28, D8, D12, D30, PHMS, PAMS#1, PAMS#2, PAMS#3, and PAMS#4	2021
OCS Form	A18, B4, B24, C34, C48, S340, PAMS#1, PAMS#2, PAMS#3, and PAMS#4	2022
OCS Form	A18, A20, A24, B4, B13, B18, B18, B20, B26, B34, C28, C38, PAMS#1, PAMS#2, and PAMS#3	2023
OCS Form	A30, B28, B36, B42, C06, C20, PAMS#2, PAMS#3, and PAMS#4	2024
JSSA	A26, B4, B42, C14, C18, C24, D8, D12, D30, PAMS#3, and PAMS#4	2021
JSSA	B4, C34, S340, PAMS#1, PAMS#2, PAMS#3, and PAMS#4	2022
JSSA	B4, C28, PAMS#1, PAMS#2, and PAMS#3	2023
JSSA	A30, C06, C20, PAMS#2, PAMS#3, and PAMS#4	2024

SED also reviewed the record retention schedule (GOV-7101S, Attachment 1) and the PG&E procedures listed above. SED determined that PG&E's field personnel did not perform the required activities including checking and recording initial air test on the OCS form and performing a job site tailboard briefing before entering the vault as PG&E could not provide the proper records. In addition, PG&E did not properly retain its JSSA records in accordance with their record retention schedule, as it requires the JSSA to be retained permanently. Therefore, PG&E is in violation with Title 49 CFR §192.605(a), for failing to

follow its own Utility Procedures TD-4414P-10 and TD-4414P-01 for conducting operation and maintenance activities as well as failing to follow its own Standard GOV-7101S for retaining JSSA records permanently.

PG&E Response: PG&E respectfully disagrees with this violation for the following reasons: (1) Both TD-4414P-10 and TD-4414P-01 are not part of PG&E's Operations & Maintenance Manual, so therefore 49 CFR 192.605(a) does not apply, and (2) Utility Standard GOV-7101S does not require JSSA records for gas work to be retained permanently. Attachment 1, "Information & Records Retention Schedule," page 30, of GOV-7101S specifically lists Job Safety Analysis record retention requirements for "Nuclear – Humboldt Bay" only. The attachment from GOV-7101S is provided as Attachment #1.

Subsequent to the inspection, PG&E was able to locate some of the following missing records in the historical record files inventory. See the table below for a list of those records found, and copies of these records are provided in Attachment #2 for verification.

OCS Form Year	Binder Name
2021	PAMS#3
2021	B42
2021	C10
2021	C28
2021	D8
2021	D12
2021	PAMS#1
2021	PAMS#2
2022	A18
2022	PAMS#2
2022	PAMS#3
2023	A18
2023	B18
2023	B34
2023	PAMS#1
2023	PAMS#3

PG&E was not able to locate the records for the remaining documents listed by SED as missing. As a corrective action, PG&E started implementing daily tailboards in the division's maintenance department to remind personnel of the importance of completing and retaining records. Regarding Station C20, PG&E does not have a station with this name.

SED Conclusion: SED appreciates that PG&E made an extensive search and provided missing records for SED review.

SED believes that if PG&E is referencing a "non-O&M" document (i.e. Utility Procedures TD-4414P-01 and TD-4414P-10) within an O&M Procedure (i.e. Utility Procedure TD-4540P-01) such that the O&M procedure is incomplete without following the referenced document, then following those reference documents, including filling out proper forms, must be done to comply with §49 CFR 192 Subparts L and M. If PG&E failed to follow TD-4414P-01 and TD-4414P-10 as referenced in TD-4540P-01, then PG&E failed to follow TD-4540P-01.

However, since the violations did not result in damages or injuries, SED is opting to not take enforcement action at this time.

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 DeAnza Division (85400 (7))
Issue Summary Title 49 CFR §192.605(a) states in part:

"(a) 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 Utility Procedure TD-4188P-02 "Atmospheric Corrosion Inspection of Exposed Metallic Piping Systems" (Publication Date: 11/18/2020, Effective Date: 11/18/2020 Rev: 1a) Section 1.3 requires PG&E's corrosion technician to document each abnormal operating condition (AOC) observed on an exposed asset with photos and description. The procedure also requires the corrosion technician to contact the local supervisor to create a corrective maintenance ticket to recoat the pipe when they discover an abnormal operating condition (AOC) consisting of light surface rust or coating issues at any air-to-soil transitions.

SED reviewed atmospheric corrosion inspection records from a regulator station maintenance binder (DR B-13 - Richard CT & Middlefield Rd). SED found that on 9/3/2024 PG&E's corrosion technician identified that the station had corrosion issues in the following areas:

- (1) air-to-soil transition #1 & #2
- (2) pipe-to-support interfaces
- (3) under pipe insulation

However, the required photos of the corrosion issue were not found inside the binder. PG&E confirmed that the corrosion technician did not take the photos or create a correction ticket on 9/3/2024. On 2/4/2025, PG&E created a correction ticket (ticket#130823561). On 2/11/2025, SED verified in the field that PG&E had not yet remediated the existing corrosion issues.

Based on the information gathered, SED finds that PG&E is in violation of Title 49 CFR Part 192.605(a) for failing to follow its Utility Procedure TD-4188P-02 by not taking the required photos to record the AOC and not creating the required corrective ticket to recoat the issued equipment when the corrosion was found.

PG&E Response: PG&E agrees with this finding. As acknowledged by SED in their report, corrective notification #130823561 was created and is tracking the remediation of the corrosion issue.

SED Conclusion: SED has reviewed PG&E's response and accepts the corrective action. SED has decided not to take enforcement action at this time. SED will review the records of the corrective action during future inspections.

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 DeAnza Division (85400 (7))

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

Title 49 CFR §192.465(d) states:

"Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring."

PG&E Utility Procedure: TD-4181S "External Corrosion Control of Gas Facilities", (Publication Date: 10/01/2018, Effective Date: 10/01/2018, Rev. 2) section 8.1 and 8.2 state:

"Cathodic Protection Restoration

8.1 Prompt remedial action (as described in subsections 8.2 through 8.4) must be taken to correct cathodic protection deficiencies on distribution, local transmission, backbone transmission, storage, and gathering lines, as indicated by monitoring, per 49 CFR §192.465(d).

8.2 Areas must be restored within 60 calendar days from the date they are found to be inadequately protected, barring extenuating circumstances. See TD-4181P-201 for more information."

SED reviewed maintenance documents for casing equipment number 44843632. In March 2023 the pipe-to-soil was measured at -683.00 mV. According to their procedure TD-4181S, PG&E should have created an action plan in March 2023, after a low reading which did not meet the more negative than -850mV standard.

No plan was created until 3/29/2024 when the equipment number 44843632 had a pipe-to-soil measurement of -629.00mV.

Therefore, PG&E's is in violation of Title 49 CFR §192.465(d) by failing to take prompt remedial action to correct a measured deficiency on casing equipment number 44843632.

PG&E Response: PG&E respectfully disagrees with this finding. On March 31, 2023, both pipe-to-soil and casing-to-soil readings were taken at casing equipment number 44843632. The pipe-to-soil read was -683 mV, and the casing-to-soil read was -279 mV. These readings did not meet either of the two criteria outlined in PG&E's Utility Procedure TD-4181P-601 that would indicate a possibly shorted casing (the casing-to-soil potential was not more negative than -800 mV, and the difference between the pipe-to-soil potential and the casing-to-soil potential was not less than 100 mV). The non-compliant pipe-to-soil read had a corrective notification (#125949002) created on April 19, 2023, within 60 days of the original read. See the screenshot below for the date the corrective maintenance notification was created.

On March 28, 2024, a pipe-to-soil read of -513 mV and a casing-to-soil read of -629 mV were taken at casing equipment number 44843632. These readings did not meet either of the two criteria, indicating a possibly shorted casing (the casing-to-soil potential was not more negative than -800 mV, and the difference between the pipe-to-soil potential and the casing-to-soil potential was not less than 100 mV). The March 29, 2024 corrective maintenance plan that SED references in their report is to remediate the findings from the March 28, 2024 reads.

It was not until June 28, 2024, that casing equipment number 44843632 indicated a possible short when a pipe-to-soil read of -857 mV and a casing-to-soil read of -857 mV were taken. The pipe-to-soil read that was taken on June 28, 2024, was within 15 months of the original noncompliant pipe-to-soil read that was taken on March 31, 2023.

As of February 27, 2025, casing equipment 44843632 is on the Contacted Casing Master List (CCML) and is set to be tested by Corrosion Engineering to determine if the casing is contacted. If the casing contact is confirmed by Corrosion Engineering, then a project will be scoped to remediate.

SED Conclusion: SED appreciates the clarification, and considers this item closed.

Concerns

Design and Construction : Design of Pipe Components (DC.DPC)

Question Title, ID Flanges and Flange Accessories, DC.DPC.FLANGE.O

Question 2. Do flanges and flange accessories meet the requirements of 192.147?

References 192.141 (192.147(a), 192.147(b), 192.147(c))

Assets Covered DeAnza Division (85400 (7))

Issue Summary Title 49 CFR §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 Standard B-45.4 (Publication Date:3/10/2023, Effective Date:3/10/2023 Rev.0e), Section 2.1, Part E, states,

"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."

During the field inspection of District Regulator Station DR A-26, located at the intersection of Granger and St Joseph in Santa Clara, SED observed that nuts were not fully engaged on the bolts on regulator R2. Therefore, PG&E is in violation of Title 49 CFR §192.605(a) for failing to follow its standard B-45.4 by not installing bolts and nuts properly to maintain their designed strength.

By the end of 2/14/25, PG&E had created a notification ticket and PM number for the issued location:

1. District Regulator Station DR A-26 (Granger & St Joseph):
Notification#130851588 and PM46469518

PG&E has planned to rebuild District Regulator Station DR A-26 in June 2025 (PM35356073). SED requests confirmation and pictures of the fully engaged bolts after remediation.

PG&E Response: PG&E disagrees with this concern. Standard B-45.4 is not part of PG&E's Operations & Maintenance Manual, so therefore 49 CFR 192.605(a) does not apply. PG&E has created PM35356073 for DR A-26 Granger & St. Joseph to replace the regulator in concern.

SED Conclusion: SED concedes the finding may not be applicable to §49 CFR 192.605(a). However, PG&E is still required to follow its own procedures as required by §49 CFR 192.13(c). PG&E's failure to install bolts that are fully engaged is a failure to follow PG&E Gas Design Standard B-

45.4: Flange Bolt-Tightening Sequence and Torque Values section 2.1(E) which states, *"Bolts/studs must be fully engaged and extend completely through the nut, with a recommended minimum of one thread exposed. Any excess thread protruding beyond the nut face should be minimized with a recommendation, not to exceed ½ beyond nut face."* SED requests PG&E provide proof upon completion of PM35356073 including pictures of the fully engaged bolts.