

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 21, 2017

Mr. Sumeet Singh, Vice President
Pacific Gas and Electric Company
Portfolio Management & Engineering
6111 Bollinger Canyon Road, Room 4590-D
San Ramon, CA 94583

**SUBJECT: Closure Letter for the Notice of Probable Violation (NOPV) Issued for the
October 24, 2014 Bakersfield Incident**

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (Commission) reviewed Pacific Gas and Electric Company's (PG&E) response letter dated June 26, 2015, that addressed the findings identified during SED's investigation of the incident that occurred at Wible Rd. & Houghton Rd. in Bakersfield on October 24, 2014.

A summary of findings documented by SED, PG&E's response to SED's findings, and SED's evaluation of PG&E's response taken for each finding is attached with this letter.

Unless PG&E can provide additional evidence to dispute the violations cited, this letter serves as the official closure of the October 24, 2014 Bakersfield incident investigation. Any resultant enforcement action will be determined once we review PG&E's response.

If you have any questions, please contact Terence Eng at (415) 703-5326 or by email at tke@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

Enclosure: Summary of Inspection Findings
SED Investigation Report
PG&E's PHMSA F 7100.2

cc: Mike Bradley, PG&E Gas Compliance; Susie Richmond, PG&E Gas Compliance;
Kelly Dolcini, SED; Aimee Cauguiran, SED; Terence Eng, SED

SUMMARY OF INVESTIGATION FINDINGS

I. SED Findings

PG&E failed to respond to an Underground Service Alert (USA) request for locate and mark, and carry out the requirements of its damage prevention procedures for critical facilities which resulted in excavation damage to transmission line L-300A.

SED found PG&E in violation of 49 CFR §192.605(a), 49 CFR §192.614(a), 49 CFR §192.614(c), California Government Code (CGC) 4216.3(a)(1).

II. PG&E's Response

“PG&E respectfully disagrees with this probable violation. Please refer to the attachments *Investigation Memo 10-24-14_CONF* and *DataResponse5852_CONF* (see Data Responses 5852.03 and 5852.21):

1. PG&E received USA ticket 422144. There were not PG&E facilities in that area, and therefore PG&E did not perform locate and mark on that ticket.
2. Subsequently, the contractor started excavation on a second ticket, USA ticket 441996, before the ticket was valid and before the site was marked by PG&E.
3. Ticket 441996 was requested on October 22, 2014 at 13:32 hours. The ticket stated that excavation work was to begin at 13:45 on October 24, 2014. At approximately 15:00 on October 23, 2014, a PG&E Locate and Mark employee arrived on scene and observed the contractor digging. The contractor admitted that he was digging on ticket 441996. The Locate and Mark employee told him to stop immediately, and advised the contractor that he would return on October 24, 2014, and have the area located and marked by 09:00 hours. The employee returned on October 24, 2014 at approximately 07:30 hours, and observed a tractor already digging and that gas was leaking.”

III. SED's Investigation and Discussion of Code Violations

California Government Code Section 4216.3(a)(1) states:

“Any operator of a subsurface installation who receives timely notification of any proposed excavation work in accordance with Section 4216.2 shall, within two working days of that notification, excluding weekends and holidays, or before the start of the excavation work, whichever is later, or at a later time mutually agreeable to the operator and the excavator,

locate and field mark the approximate location and, if known, the number of subsurface installations that may be affected by the excavation to the extent and degree of accuracy that the information is available either in the records of the operator or as determined through the use of standard locating techniques other than excavating, otherwise advise the person who contacted the center of the location of the operator's subsurface installations that may be affected by the excavation, or advise the person that the operator does not operate any subsurface installations that would be affected by the proposed excavation.”

SED found PG&E in violation of California Government Code Section 4216.3(a)(1) because PG&E failed to locate its subsurface installation for USA ticket No. 0422144. A portion of the excavation area documented on USA ticket No. 0422144, along with the strike location is shown below in Figure 1. To clarify, the entire excavation area documented on the USA ticket encompasses a larger area and completely envelops the area shown in Figure 1. PG&E alleged that the third party excavator verbally informed PG&E that the excavation site was smaller than what was stated on USA ticket No. 0422144; however PG&E failed to provide documentation demonstrating this claim.

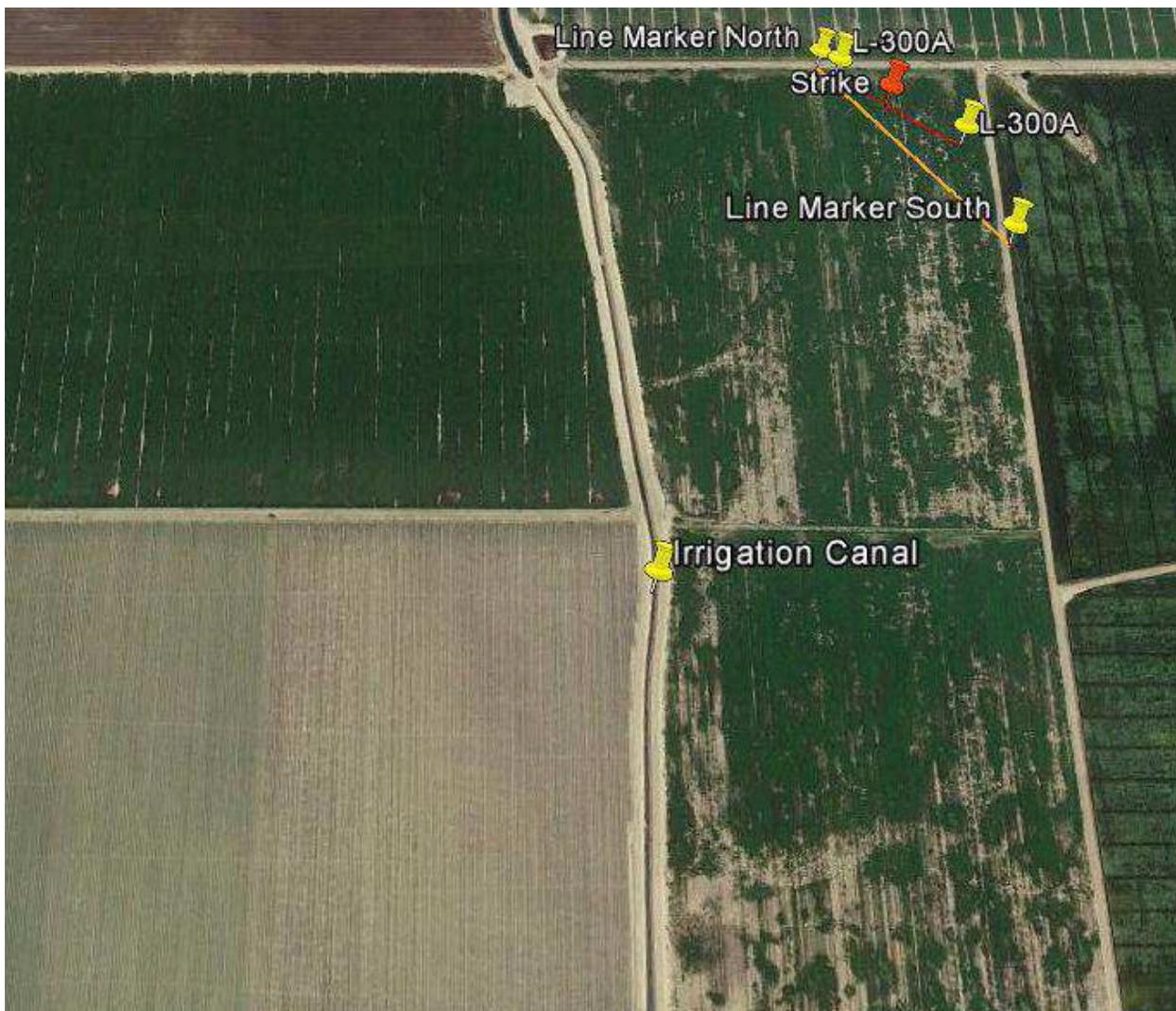


Figure 1. Aerial view of incident location

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...”

Title 49 CFR § 192.614(a) states:

“Except as provided in paragraphs (d) and (e) of this section, each operator of a buried pipeline shall carry out in accordance with this section, a written program to prevent damage to that pipeline from excavation activities. For the purposes of this section, the term “excavation activities” includes excavation, blasting, boring, tunneling, backfilling, the removal of aboveground structures by either explosive or mechanical means, and other earthmoving operations.”

Title 49 CFR § 192.614(c) states:

“The damage prevention program required by paragraph (a) of this section must, at a minimum:”

“(2) Provide for temporary markings of buried pipelines in the area of the excavation activity before, as far as practical, the activity begins.”

SED found PG&E in violation of Title 49 CFR § 192.605(a) because it failed to carry out the requirements of its written program under Title 49 CFR § 192.614(a) and § 192.614(c) for USA ticket No. 0422144.

IV. SED’s Conclusion

SED reviewed PG&E’s response and maintains its position that PG&E had violated the applicable sections of the federal and state regulations. SED’s investigation revealed that the PG&E facilities damaged in the incident were within the area of excavation contained in USA ticket 0422144. In its investigation report, SED stated:

“Based on conflicting statements provided by the Third Party Excavator and the Operator, SED cannot determine the version of events that occurred in the field on October 14, 2014 in connection with USA Ticket No. 0422144, or on October 23, 2014 in connection with USA Ticket No. 0441996. SED’s findings are based on the review of the documentation provided by both parties and the applicable regulations.”

Additionally in PG&E’s report to PHMSA¹, PG&E referred to USA ticket 0441996 and stated that the third party started excavation before the site was marked by PG&E. Although factually

¹ PHMSA incident report OMB NO: 2137-0522, No. 20140126-16552

correct, it omits pertinent information regarding PG&E's response to USA ticket No. 0422144 which precedes the referenced USA ticket.

Therefore, SED directs PG&E, within 30 days of your receipt of this letter, to submit a revised PHMSA F 7100.2 form to PHMSA with a copy to SED to include details on PG&E's failure to provide markings in response to the preceding USA ticket 0422144.