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

January 15, 2020

Mr. David A. Weber, President and CEO
Gill Ranch Storage
220 NW 2nd Avenue
Portland, OR 97209

GI-2019-04-GRS-38

SUBJECT: Closure Letter for General Order 112-F Operation and Maintenance Inspection of Gill Ranch Storage

Dear Mr. Weber:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed Gill Ranch Storage's (Gill Ranch) response letter dated November 20, 2019, that addressed the concerns identified during the General Order (G.O.) 112-F Comprehensive Operation and Maintenance Inspection of Gill Ranch, that was conducted on September 30 through October 3, 2019.

Attached is a summary of SED's inspection findings, Gill Ranch response to SED's findings, and SED's evaluation of Gill Ranch responses to the concerns.

This letter serves as the official closure of the 2019 G.O. 112-F Inspection of Gill Ranch Storage

Thank you for your cooperation in this inspection. If you have any questions, please contact Joel Tran at (415) 515-3442 or by email at joel.tran@cpuc.ca.gov.

Sincerely,

Dennis Lee

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

Enclosure: Post-Inspection Written Preliminary Findings

cc: Todd Thomas, GRS
Claudia Almengor, SED
Terence Eng, SED

Post-Inspection Written Findings

Dates of Inspection: 09/30/2019 – 10/3/2019

Operator: GILL RANCH STORAGE LLC

Operator ID: 32549 (primary)

Inspection Systems: Gill Ranch Storage

Assets (Unit IDs): Gill Ranch Storage

System Type: GT

Inspection Name: Gill Ranch Emergency, PAP, OQ, D&A

Lead Inspector: Joel Tran

Operator Representative: Karl Leger

Unsatisfactory Results

No Preliminary Findings.

Concerns

Emergency Preparedness and Response : Emergency Response (EP.ERG)

Question Text Does the process include detailed steps for reviewing employee activities to determine whether the procedures were effectively followed in each emergency?

References 192.615(b)(3)

Assets Covered Gill Ranch Storage (Gill Ranch)

Issue Summary Based upon conversations with the operator, it appears that employee activities would be reviewed as part of their post-emergency investigations. Section 3.2.2.6.5 Incident Investigation/Root Cause Analysis of the GRS plan does makes general statements that would cover this part of the investigation. However, it does not specifically require that employee activities be reviewed to ensure that they were not a root cause of the incident. SED recommends that GRS add this language to their plan to ensure they cover 192.615(b)(3).

Gill Ranch Response GRS has added the following language to Section 3.2.2.6.5 of its Emergency Response Plan to ensure that the post incident investigation includes steps to determine whether or not employee actions were performed in accordance with the GRS emergency response procedures. Section 3.2.2.6.5 Incident Investigation/Root Cause Analysis (page 3-50, last bullet):

"Determination of whether employee actions were performed in accordance with the emergency response procedures."

SED Conclusion SED has reviewed the response from Gill Ranch and determined that the corrective actions articulated by Gill Ranch sufficiently address SED's concern. SED may opt to review the records of corrective action during future inspections.

Question Text Does the process include steps for establishing and maintaining liaison with appropriate fire, police and other public officials and utility owners?

References 192.615(c) (192.615(c)(1), 192.615(c)(2), 192.615(c)(3), 192.615(c)(4), 192.616(c), ADB-05-03)

Assets Covered Gill Ranch Storage (Gill Ranch)

Issue Summary GRS references to the procedural requirements for liaison with first responders in two places: Section 7.4.2.2 of the Public Awareness Plan and Section 3.2.1.7 of the Emergency Response Plan. Section 7.4.2.2 of the Public Awareness Plan discusses the code requirements and objectives when meeting with first responders and Section 3.2.1.7 of the Emergency Response Plan describes one of the main methods GRS uses to communicate those requirements, which are emergency exercises. SED recommends that GRS add a reference in each of those sections to the other, thus ensuring that GRS process of liaison is fully described.

Gill Ranch Response GRS has reviewed the language in both of the sections mentioned in the Issue Summary and added cross references to each section so that the full process of GRS liaison with emergency responders is described.

Section 7.4.2.2 Liaison with Emergency Responders (page 7-19)

"See Section 3.2.1.7 of the Emergency Response Plan for methods in which communication with emergency responders is performed."

Section 3.2.1.7 Training, Exercises, Drills and Incident Documentation (page 3-38)

"See Section 7.4.2.2 of the Public Awareness Plan for specific requirements related to maintaining liaison with Emergency Responders."

SED Conclusion SED has reviewed the response from Gill Ranch and determined that the corrective actions articulated by Gill Ranch sufficiently address SED's concern. SED may opt to review the records of corrective action during future inspections.

Question Text Do records indicate that liaison has been established and maintained with appropriate fire, police, public officials, and utility owners?

References 192.605(a) (192.615(c)(1), 192.615(c)(2), 192.615(c)(3), 192.615(c)(4), 192.616(c), ADB-05-03)

Assets Covered Gill Ranch Storage (Gill Ranch)

Issue Summary GRS uses a third party contractor for PAP liaisons with first responders who distributes copies of their ERP as well as invites them to emergency exercises. First responder attendance at GRS exercises has been very good. GRS was able to relate to SED what site specific emergency response information that they provide to their first responders as well as what level of participation they typically get from them during the emergency exercises. GRS also showed SED "911 Emergency Quick Reference Card" document that they distributed during the March 2018 emergency exercises and that they gave a facility tour in March 2019. However, GRS was not able to show specific documentation all of this information to SED. SED recommends that GRS especially document the site specific emergency information that it provides to first responders. GRS should also document how they interact with first responders during emergency exercises and any feedback they have, if any, in order to demonstrate compliance with their procedures in the PAP Section 7.4.2.2.

In addition, in the past GRS has had representatives from PG&E at their emergency exercises but they are not sure who invites them. SED recommends that GRS invite both the pipeline and electric side of PG&E to their exercises and document the invitation.

Gill Ranch Response GRS is planning to host its next Pipeline Emergency Response Exercise in the spring of 2020 During this exercise all information given to emergency responders will be documented (including site specific emergency information). The interaction with first responders during the exercise will also be documented in the post exercise report. Feedback has been documented in the past through a post exercise survey given to all participants that asks questions regarding the particular scenario, as well as comments/concerns that each participant thinks would improve future exercises. This will continue to be documented. Representatives from PG&E (pipeline and electric) will also be invited to the drill, and all attendees will be documented via sign in sheet as usual. Section 3.2.1.7 of the Emergency Response Plan outlines who will be invited to participate in the exercises:

Section 3.2.1.7 Training, Exercises, Drills and Incident Documentation (last paragraph, 4th sentence)

"Gill Ranch will share the training and drill schedule with local emergency response entities and other utility providers and encourage their participation as an opportunity to reinforce incident response preparedness by working through a scenario, assessing the effectiveness of Gill Ranch processes and procedures and gain experience in the plan execution.

SED Conclusion SED has reviewed the response from Gill Ranch and determined that the corrective actions articulated by Gill Ranch sufficiently address SED's concern. SED may opt to review the records of corrective action during future inspections.

Public Awareness and Damage Prevention : Public Awareness (PD.PA)

Question Text Does the program include a process that specifies how program implementation and effectiveness will be periodically evaluated?

References 192.616(i) (192.616(c), API RP 1162 Section 8, API RP 1162 Appendix E)

Assets Covered Gill Ranch Storage (Gill Ranch)

Issue Summary Gill Ranch Storage's Public Awareness Damage Prevention Program does not list a frequency for conducting effectiveness evaluations. A deadline for the initial effectiveness evaluation is listed, however, the frequency of subsequent evaluations are not specified. Gill Ranch should include a frequency requirement of "no more than 4 years apart" to reflect the requirements of API RP 1162 Section 8.5.

Gill Ranch Response GRS updated the language in its Public Awareness Plan to reflect the requirements of API 1162 Section 8.5. GRS has performed its effectiveness evaluations (initial and subsequent) no more than four years apart; however, the program language wasn't specific in regard to subsequent evaluations.

Section 7.2.2 Continuous Improvement (page 7-7, 3rd bullet)

"Periodically evaluate and determine if program changes are needed based on the lessons learned from the program's implementation and management. The program will be reviewed for effectiveness within four years of the date the operator's program was first completed and subsequent evaluations shall be no more than four years apart."

SED Conclusion SED has reviewed the response from Gill Ranch and determined that the corrective actions articulated by Gill Ranch sufficiently address SED's concern. SED may opt to review the records of corrective action during future inspections.

Training and Qualification : Qualification of Personnel - Specific Requirements (IM) (TQ.QUIM)

Question Text Do records indicate adequate qualification of integrity management personnel?

References 192.947(e) (192.915(a), 192.915(b), 192.915(c), 192.935(b)(1)(i), 192.947(d))

Assets Covered Gill Ranch Storage (Gill Ranch)

Issue Summary There is no documentation or verification of the TIMP Management Teams' qualifications. SED suggests adding a record of verification of qualifications during their TIMP annual review and adding this process in the IM plan.

Gill Ranch Response GRS has established minimum qualification criteria for each of the TIMP Management Team members as seen in the TIMP Team Responsibilities and Qualifications table. Section 13.5 of the GRS Integrity Management Program states "Selection of an individual to TIMP Management Team is an acknowledgment by GRS Senior Management that the individual satisfies the required qualifications. GRS believes that by maintaining the list of TIMP team members and their minimum qualifications, the qualifications of each team member are being verified. To better document this verification, GRS will add a step to its annual TIMP Team meeting worksheet that covers verification of TIMP Management Team qualifications.

SED Conclusion SED has reviewed the response from Gill Ranch and determined that the corrective actions articulated by Gill Ranch sufficiently address SED's concern. SED may opt to review the records of corrective action during future inspections.

Training and Qualification : Training of Personnel (TQ.TR)

Question Text Does the process require a continuing training program to be in place to effectively instruct emergency response personnel?

References 192.615(b)(2) (192.805(b))

Assets Covered Gill Ranch Storage (Gill Ranch)

Issue Summary Emergency response training is handled through annual emergency exercises as well as a rotating monthly training. One of the months involves a training of the ERP. However, ERP Section 3.2.1.7 only mentions the emergency exercise training. SED recommends that GRS add the monthly training requirement to the ERP as well as the 100% passing requirement mentioned in the response to CPUC's previous audit of the Emergency Response Program in 2016.

Gill Ranch Response GRS has added the following language to Section 3.2.1.7 of the Emergency Response Plan:

Section 3.2.1.7 Training, Exercises, Drills and Incident Documentation (page 3-38 second paragraph) "Emergency Response Plan training is conducted at least once each calendar year (classroom training). This training is intended to review the GRS emergency response procedures as well as the incident command system. In conjunction with the classroom training, each trainee is given a written test, and must pass with a score of 100%. Anyone who does not pass with 100% will be allowed to review the training material and retake the test the next day. If he/she does not pass with a score of 100% on the second attempt, the GRS Safety Representative will retrain them in a face to face session on the portions of the emergency response procedures he/she is not understanding. The test can be taken a third time after this remedial training is complete."

SED Conclusion SED has reviewed the response from Gill Ranch and determined that the corrective actions articulated by Gill Ranch sufficiently address SED's concern. SED may opt to review the records of corrective action during future inspections.