

2016 Central Coast Division CPUC Audit Responses

Finding Type [Internal, NOPV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOPV - PG&E's Internal Review Findings	I	<p>Prior to the start of the audit, PG&E provided SED its findings from the internal review it conducted of the Central Coast Division. Some of PG&E's internal review findings are violations of PG&E's standards, and are therefore violations of Title 49 Code of Federal Regulations (CFR), §192.13(c) or §192.605(a). The table in SED's letter lists all of the violations from PG&E's internal review.</p> <p>SED staff noted that some of the findings were corrected prior to the inspection. For those items not corrected prior to the inspection, please provide an update on PG&E's progress to complete the corrective actions. The two pending items requiring updates include:</p> <p>1) Non Compliance with existing Standard - Station Maintenance for Station J-27 was missed or late. The maintenance sheet identified that there was no outlet valve and as a result the regulator cannot be checked for lock up.</p> <p>2) 68 instances of Not Following Company Procedures: TD-4412P-07: Pipeline locations were identified as having vegetative cover over the ROW, which obscures observation by aerial patrol. Therefore, to supplement the ongoing monthly aerial patrols, ground patrols are also performed on a quarterly basis in accordance with utility procedure TD-4412P-07, "Patrolling Gas Pipelines". Not ground patrolled within 4.5 months.</p>	<p>PG&E recognized these as non-compliance issues, and has taken the following corrective actions:</p> <p>1) An outlet valve (V-3) at HPR J-27 was installed on 12/27/16 under Corrective OCW 112381292, and maintenance for the station was performed immediately afterwards (please see attached Operating Diagram and Regulator Station Maintenance Record for DR X-27).</p> <p>While PG&E considers this a unique case and not subject to recurrence, PG&E has implemented a quality control process to address such anomalies in a timely manner. PG&E has created a Quality Control Group, specifically the Compliance Desk, that performs record reviews on 100% of completed maintenance on a monthly basis to ensure compliance, which includes supervisor review/approval, as well as addressing issues that have been noted on the maintenance forms. As such, PG&E anticipates issues identified during maintenance needing prompt attention will be effectively addressed.</p> <p>2) For the immediate corrective actions of the 68 instances requiring aerial patrol observations follow up, PG&E performed ground patrols of all 68 sites on 8/23/16 or on 9/2/16. See Column Q3_Patrol Date in the attached (Cent Coast Ground Patrol Non-Compliance.pdf) for the dates on which the ground patrol was performed.</p> <p>To prevent recurrence, improvements have been made to the work tracking system and deployment of available resources to ensure ongoing compliance. These interim measures have been permanently adopted. The improvements to the work tracking system include:</p> <ul style="list-style-type: none"> • An increase in status reporting frequency to weekly to increase visibility on outstanding sites • Redesigning of the tracking log with color-coding to improve recognition of sites with upcoming due dates 	<p>DR X-J27_CONF.pdf</p> <p>Cent Coast Ground Patrol Non-Compliance.pdf</p>
NOPV	II.1	<p>Valves V-1 and V-2: PG&E failed to inspect these two valves in calendar year 2013. Therefore, PG&E is in violation of G.O. 112-F, Reference Title 49 CFR, Part 192, §192.745(a).</p>	<p>PG&E recognizes this finding and has taken the following corrective actions:</p> <p>As observed during the audit, PG&E had conducted the required maintenance for these valves in 2014 and in subsequent years. Given PG&E's focus on compliance related work as described below, appropriate steps are now in place to ensure timely maintenance.</p> <p>To prevent reoccurrence, PG&E has created a Quality Control Group, specifically the Compliance Desk, that performs record reviews on 100% of completed maintenance on a monthly basis to ensure compliance, which includes supervisor review and approval being completed in a timely manner. In the Central Coast Division, these reviews of the prior month's work were first started in March 2016. Please note that the Quality Control Group did not go back to review maintenance performed greater than 30 days prior to this start date or the previous year's maintenance. As such, the 2013 maintenance records were not reviewed. However, PG&E is confident these reviews will prevent future instances of missed maintenance.</p>	
NOPV	II.2	<p>PG&E's records show that maintenance of the valve MLV-E68-1 was done on April 20, 2015 and the maintenance record had not been reviewed by supervisor as of December 5, 2016. Apparently, the supervisory review was not done during the required timeframe of 30 days.</p> <p>In addition, PG&E did not provide documentation of supervisory review that was conducted within the calendar the following regulator station maintenance work orders were completed for Regulator Stations S-13 (maintenance on 7/16/13 - reviewed on 4/1/14) and S-56 (maintenance on 4/20/15 - reviewed on 5/11/16) in Salinas.</p> <p>Therefore, PG&E is in violation of 49 CFR, Part 192 §192.605(a).</p>	<p>PG&E recognizes this finding and has taken the following corrective actions:</p> <p>As witnessed during the audit, the supervisor did complete his review for MLV-E68-1 when this omission was identified.</p> <p>To prevent recurrence, PG&E's Quality Control Group assists with record reviews on 100% of completed maintenance on a monthly basis to ensure compliance, which includes supervisor review and approval being completed in a timely manner. In the Central Coast Division, these reviews of the prior month's work were first started in March 2016. Please note that the Quality Control Group did not go back to review maintenance performed greater than 30 days prior to this start date or the previous year's maintenance. As such, the 2015 maintenance records were not reviewed. However, PG&E is confident these reviews will prevent future instances of missed maintenance.</p>	

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NOPV	II.3.1	3.1 SED noted that a PG&E supervisor signed a blank valve inspection card on April 29, 2016 for valve (SV-15R-B). SED staff investigated further and referenced another Inspection Unit's record for the actual inspection date, which was April 13, 2016. Apparently, the supervisor did not review and identify any errors or deficiencies on the card before approving this inspection. Therefore, PG&E is in violation of 49 CFR, Part 192 §192.605(a).	<p>PG&E recognizes this finding and has taken the following corrective actions:</p> <p>As noted during the audit, the supervisor became aware of the oversight upon discovery and has discussed this with the temporary supervisor who erred. Both have taken steps to modify their review methodology for maintenance records to ensure all required fields are properly filled in prior to approving.</p> <p>To prevent recurrence, PG&E's Quality Control Group assists with record reviews on 100% of completed maintenance on a monthly basis to ensure compliance, which includes supervisor review and approval being completed in a timely manner.</p>	
NOPV	II.3.2	3.2 SED observed that a maintenance card for regulator station (M-35) did not have the supervisor's name and the name of PG&E's personnel that performed the inspection in 2014. It appears that this maintenance card was not reviewed by PG&E's supervisor. PG&E failed to review the station maintenance inspection card for accuracy and completeness. Therefore, PG&E is in violation of 49 CFR, Part 192 §192.605(a).	<p>PG&E recognizes these observations and has taken the following corrective actions:</p> <p>As noted during the audit, the supervisor became aware of the oversight upon discovery and has taken steps to modify his review methodology for maintenance records to ensure all required fields are properly filled in prior to approving.</p> <p>To prevent recurrence, PG&E's Quality Control Group assists with record reviews on 100% of completed maintenance on a monthly basis to ensure compliance, which includes supervisor review and approval being completed in a timely manner.</p>	
NOPV	II.4	SED observed that PG&E did not identify and record its critical valve (V-B) that was installed in October 2013 on its Operating Diagram for MLV 19.09 station. PG&E should have reviewed/verified its records to ensure that the system maps/ drawing are clear and accurate pertaining to the location and the appurtenances. Therefore, PG&E is in violation of General Order 112, Reference Title 49 CFR, Part 192 §192.605(b)(3)	<p>PG&E recognizes this finding in that we failed to promptly produce the records during the audit to demonstrate compliance. However, as shown in Operating Map drawing 383061, revision 24 of this document updated on 02-04-14 (see attached Operating Diagram Dwg 383061 Rev 24_CONF.pdf) shows that critical valve V-B associated with MLV 19.09 had been added to this drawing. Also attached are the valve card and maintenance sheet for V-B which shows that the required maintenance has been performed since its installation in 2013 (see attached V-B at MLV19-09_CONF.pdf). As such, no additional action is deemed necessary.</p>	<p>Operating Diagram Dwg 383061 Rev 24_CONF.pdf</p> <p>V-B at MLV 19-09-CONF.pdf</p>