

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV PG&E's Internal Review Findings	6	<p>Prior to the start of the audit, PG&amp;E provided SED its findings from the internal review it conducted of Peninsula Division (Division). Some of PG&amp;E's internal review findings are violations of PG&amp;E's standards, and are therefore violations of Title 49 Code of Federal Regulations (CFR), §192.13(c) or §192.605(a). SED is aware that PG&amp;E corrected some of its findings prior to SED's inspection. Table 1 lists all of the violations from PG&amp;E's internal review.</p> <p>(29) instances - Valve Card: Form not properly filled out. UNK's on Valve Cards without comment.</p> <p>SED is aware that the Division may have completed some of the items by the time of this letter. Please provide an update on the corrective status on the items that were pending as of June 10, 2016.</p>	<p>CAP notification: 7030240 was created to address unknown values of Valve Card fields within Distribution assets.</p> <p>Pursuant to our current valve procedure job aid TD-4430P-04-JA02 (See attached), unknown or N/A fields are permissible with comments provided after research efforts through the PFL system is completed. The 29 instances found in the Internal Review, it have been corrected to comply with TD-4430P-04-JA02.</p> <p>Please note that specifications for pipeline features, such as valves, are captured in the Pipeline Features List (PFL) and PG&amp;E's GIS, the systems of record for MAOP-relevant information. During the MAOP Validation Project, the information from PG&amp;E's traceable, verifiable, and complete documents was combined with engineering analysis, any necessary conservative engineering assumptions, and field-investigations to create the PFLs.</p>	TD-4430P-04-JA01 Valve Maintenance Record General Information Instructions.pdf
NOV PG&E's Internal Review Findings	10	<p><b>Missed Assessment date on L-101.</b> section was transferred to In-Line Inspection group to assess it. After completing all NT-ILI projects in the mentioned mile post, there was two sections (Totally about 85 feet) between MP 44.52 to 44.60 that were not assessed. The compliance due date for assessing L-101 MP 33.86 to 44.60 was 12/4/2015.</p> <p>SED is aware that the Division may have completed some of the items by the time of this letter. Please provide an update on the corrective status on the items that were pending as of June 10, 2016.</p>	<p>CAP Notification # 7022597 was created to correct the missed assessment of this approximate 85' section of pipe. The project (Order # 31235698) is currently on the high priority list and we are actively addressing the issue to have this completed by Q2 of 2017. Please note: This issue was reported August 5, 2016 as an update to CPUC Resolution ALJ-274 Self-Identified Potential Non-Compliance Notification dated March 3, 2015.</p>	N/A
NOV PG&E's Internal Review Findings	11	<p>Casings missing leads Eq #'s: 41421674; 41418420; 41416975</p> <p>SED is aware that the Division may have completed some of the items by the time of this letter. Please provide an update on the corrective status on the items that were pending as of June 10, 2016.</p>	<p>Casing EQ#: 41421674 on DCUST 5760 at MP 1.16 has been remediated and the site was restored in July. The casing is scheduled to be wax filled this month. Test facilities have been installed.</p> <p>As for the other 2 casings, they have been submitted to the Corrosion Project Management Organization (PMO) as projects to install test facilities. The plan is to have them installed this year, but permitting may delay this until the first quarter of next year.</p>	N/A

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NOV	1	<p>1. Title 49 CFR §192.745(a) states in part:</p> <p>“Each transmission line valve that might be required during any emergency must be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year.”</p> <p>During a review of the Division’s valve maintenance records, SED discovered that the Division failed to inspect and partially operate an emergency transmission line valve within the 15 month interval required by 49 CFR §192.745(a). The Division commissioned Valve-503 of Line 109 on 5/29/2013 but did not perform maintenance until 12/5/2014, exceeding 15 months required to be in compliance.</p>	<p>This asset was replaced in May of 2013. PG&amp;E submitted a work ticket to place this valve on an October anniversary maintenance plan; however it was not added into the system correctly originally. Another RW ticket was submitted in December 2013 but was not fulfilled until October 2014. Once this ticket was processed, a manual preventative maintenance notification was created and the valve was maintained in December 2014.</p> <p>PG&amp;E is currently updating our procedures to streamline the processing of open work tickets.</p>	N/A
NOV	2	<p>2. Title 49 CFR §192.605(a) states in part:</p> <p>“Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response.”</p> <p>2.1 Utility Standard TD-4540S, Table 2, Maintenance Schedule, requires in part that Large Volume Customer regulator set facility types must have Class A Inspections performed:</p> <p>“At least once each calendar year, at intervals not to exceed 15 months to the date of the previous Class A or Class B inspection.”</p> <p>While reviewing the Division’s regulator maintenance records, SED discovered that Large Volume Customer (LVC) High Pressure Regulator (HPR) set FM B015-A was required to have an annual Class A maintenance performed, per PG&amp;E Utility Standard TD-4540S. The HPR set was discovered to still be on a five year inspection schedule, having its last inspections performed in 2010 and 2015. The Division failed to adhere to §192.605(a) when it exceeded the annual Class A inspection interval required by PG&amp;E Utility Standard TD-4540S.</p> <p>Additionally, access to the HPR set was not available due to overgrown vegetation.</p> <p>In addition to your response to the code violation, please provide SED with an update on the Division’s progress on establishing permanent clear access to HPR set FM B015-A.</p>	<p>Utility Standard TD-4540S Rev. 0 was published on 10/16/2013 and went into effect 1/1/2014. It superseded the previous Utility Standard S4540, which had only covered maintenance requirements for district regulator stations. TD-4540S expanded the maintenance requirements to include “large volume customer regulator sets.”</p> <p>Prior to TD-4540S Rev 0 taking effect, FM B015-A station was considered as a farm tap set since it only serves as primary regulation to a single customer (EB Quarry) with its own meter set and regulation at the service point. Farm tap sets were not required to be on a maintenance plan except for cause only.</p> <p>The division has overlooked FM B015-A Station to require annual maintenance pursuant to TD-4540S when this change was rolled out in 2014. At the start of 2016, the station was recognized and placed on a maintenance plan. However, due to difficult terrain access and over-grown vegetation coupled with environmental challenges, it was not possible to remediate and maintain the station immediately.</p> <p>The division has been in multiple discussions on site with Vegetation Control and Land Operation Groups to come up with the best practical plan to not only provide access for the crews and CPUC to witness inspection but to also provide a long term solution to comply with our updated standards.</p> <p>In the interim, the short term plan will be to clear the over-grown vegetation up to the vault. Access will be only via foot traffic due to difficult terrain. On the morning of the inspection day, a specialized work group will be facilitating to ferry equipment up the hill and to ensure everyone safely gets up and down the steep portion of the hill.</p> <p>It is anticipated that we can schedule an inspection date with the CPUC in early October 2016 barring any unforeseen obstacle. We shall reach out to the CPUC prior to coordinate and firm up an agreed date.</p> <p>There is currently a project in place (Order # 31099990) to remove this primary station and upgrade the pipeline and customer meter set facilities so that it is fed directly off of L-132. This will be the long term solution in response to the challenges faced and complying with our current standards.</p>	N/A

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AOC	1	<p>1. During a field visit to district regulator R-166 Larkspur and HWY 280, SED observed the regulator fail to achieve lock-up during inspection. The PG&amp;E crew rebuilt the regulator by isolating the unit and replacing the internal rubber diaphragm. Regulator R-166 was able to achieve lock-up after the new diaphragm was installed. A PG&amp;E crew member inspected the old diaphragm and attributed the failure to sulfur build up on the rubber surface. On 6/22/2016, the Division installed a sulfur filter on the regulator and monitor pilots to improve operation.</p> <p>Additionally, district regulator R-166 appeared to have atmospheric corrosion downstream on the working regulator. On 6/22/2016, the Division cleaned up the downstream outlet valve and painted the pipe. The Division currently has a work order to repaint the entire regulator station. Please provide SED with the status of the station repaint work order.</p>	<p>Currently the painting of the Larkspur Station is scheduled to be completed by the end of October 2016. We will keep the CPUC apprised of any changes in the schedule.</p>	<p>N/A</p>
AOC	2	<p>2. During a field visit to Regulator R-158 Millbrae and Bayshore, SED discovered the warning labels for the station were out of date and the station diagram posted was multiple revisions out of date. A PG&amp;E crew member replaced the station diagram with a current version during our field visit. On 6/13/2016, the Division replaced the outdated warning labels. This serves as a record of SED's observation.</p>	<p>N/A</p>	<p>N/A</p>