

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV - PG&E's Internal Review Findings		At the start of the inspection, PG&E provided SED its findings from the internal review it conducted of the 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), §192.605(a). SED is aware that PG&E corrected all of its findings prior to SED's inspection. Table 1 lists all of the violations from PG&E's internal review.	There are no pending actions from the Internal review findings for the San Francisco Division.	n/a
NOV	1	Title 49 CFR §192.605 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..."	Please see below for responses to the violations.	n/a
NOV	1.i	i) PG&E Procedure TD-4540P-02 requires supervisors to review regulator station maintenance within 30 days of maintenance completion. During records review, SED found the following regulator station where the supervisor's review exceeded 30 days. • DR14-S – Maintained on 9/24/2015 with a supervisor review on 1/14/2016, over 30 days later	PG&E recognizes this oversight involving the late supervisor's review. As noted during the CPUC audit, a review of the records showed that the area supervisor had reviewed the station folder and had signed the valve cards associated with the station on 10/2/2015, but missed the signature on the Regulator Station Maintenance record. A copy of these records were transmitted, via email, to the CPUC audit team on 8/22/16 (Data Request: SF-14). To prevent recurrence, PG&E's Quality Control Group assists with record reviews of completed maintenance to ensure compliance, which includes supervisor review and approval being completed in a timely manner. The goal is to identify any errors and have them corrected real time in order to drive quality and provide timely feedback/instruction. In San Francisco, these reviews of the prior month's work were first started in June 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.	n/a
NOV	1.ii	ii) PG&E Procedure TD-4125P-05 requires pressure recorders used during regulator station maintenance to be calibrated. During records review, SED found a regulator station where the pressure recorder used was not calibrated, nor was a portable pressure recorder used. • DR93 – The Division did not use a calibrated pressure recorder during the 2015 maintenance.	PG&E recognizes this finding and has taken the following corrective actions: PG&E installed a calibrated portable pressure recorder at DR-93 on 10/19/16 and compared the recordings with the existing recorder at the station. The results from both recorders showed no differences, thereby indicating that the use of the uncalibrated recorder did not pose a risk. Additionally, the supervisor conducted a Tailboard with the I&R personnel to emphasize the importance of using calibrated equipment during all maintenance activities, as well as promptly notifying the supervisor of issues that could not be resolved during the maintenance. A copy of these records were transmitted, via email, to the CPUC audit team on 9/9/16 (Data Request: SF-16). To prevent reoccurrence, PG&E's Quality Control Group will continue to perform record reviews on 100% of completed maintenance on a monthly basis to ensure issues encountered or identified during maintenance are properly addressed.	n/a
NOV	1.iii	iii) PG&E Procedure TD-4430P-04 requires valve maintenance to be documented on TD-4430P-04-F02 "Gas Valve Maintenance Record Form-Service History". SED found during records review, a large portion of valves where the 2015 maintenance was completed and documented electronically but the TD-4430P-04-F02 form was not filled out. SED did not document the specific valves where this occurred; it was discussed during the inspection that the list of valves missing their 2015 TD-4430P-04-F02 would be extensive.	PG&E respectfully disagrees with the characterization of this finding. PG&E is aware of three (3) valves V-251, V-275, and V-434 for which the maintenance records were incomplete. With respect to these valves, please note that the actual required maintenance was performed and documented electronically and that the valve cards needed to be completed as noted in Data Requests SF-52, SF-53, and SF-54 (responses sent to the CPUC audit team, via email, on 11/3/16). PG&E has updated the valve cards, please see attached valve cards for V-251, V-275, and V-434. PG&E also disagrees with any inference to statements being made that "the list of valves missing their 2015 TD-4430P-04-F02 would be extensive". PG&E acknowledged during the CPUC audit that we encountered some issues when transferring information from the old valve cards to the new valve cards. However, PG&E had a plan to address any gaps utilizing the Quality Control review process. Furthermore, PG&E's Quality Control Group will continue to perform record reviews on 100% of completed maintenance on a monthly basis to ensure compliance. PG&E anticipates any gaps for the required valve records will be addressed by June 2017, since the 100% reviews were initiated in June of 2016. While questions concerning documentation for eight (8) other valves (V-353, 2224, 2225, 2229, 2676, 3695, 3697 and 3762) were noted, records of the valves cards with clear explanations for each valve were provided to the CPUC audit team, via email, on 9/12/16. In this regard, there were no issues with the records for the valves identified.	NOV_1_iii - Valve cards_CONF.pdf

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AOC	1	<p>1. During SED's review of regulator station maintenance records, SED noted instances where atmospheric corrosion was found to be present and either no corrective action was taken or there was significant delay in taking corrective actions.</p> <p>i) DR 198 – Poor conditions were documented on PG&E form TD-4540P-01-F02 under Piping & Equipment and Filter & Filter Closure regarding the 2010 maintenance, where "filter needs blasting and painting" was documented. The same condition was found during each annual maintenance inspection from 2011 to 2015, where a Preventative Maintenance Notification was created (PM #42776496) to address the condition. This issue was not addressed until five years after its discovery.</p> <p>ii) DR 199 – Poor conditions were documented on PG&E form TD-4540P-01-F02 under Piping & Equipment regarding the 2010 maintenance. The same condition was found during each annual maintenance inspection from 2011 to 2015. At the time of SED's review, no corrective actions have been taken.</p> <p>Please provide to SED what PG&E plans to do to address these issues and to prevent recurrence.</p>	<p>PG&E recognizes these observations and has taken the following corrective actions:</p> <p>DR-198: As previously noted, PM #42776496 has been created to address this coating condition at this regulator station. The job is tentatively scheduled for Q4 2017.</p> <p>DR-199: This station is scheduled for rebuild in Q1 2017 and the project has already been coordinated and a clearance is established (PM #31030191).</p> <p>PG&E's Quality Control Group has initiated a 100% review of all regulator station maintenance records to ensure appropriate supervisor follow-up actions are taken for issues noted during maintenance in a timely manner. The 100% review initiative for the San Francisco Division started in June of 2016, and will be an on-going effort to enhance PG&E's process for equipment maintenance and to ensure compliance.</p>	n/a
AOC	2	<p>2. During SED's field observation at Regulator Station 175, Valves 1194 and 1190 were found to be inoperable and Valve 1209 was difficult to operate. After discussing with the Division, SED learned that inoperable valves have been rare for the Division, yet there was a cluster of problematic valves found during the field observation. Please explain why there is a high concentration of valves with issues in this area. Does this problem affect more than just one location?</p> <p>Please provide to SED what PG&E plans to do to investigate this issue and to prevent recurrence.</p>	<p>PG&E recognizes these observations and has taken the following corrective actions:</p> <p>Valves 1194, 1190, and 1209 were flushed on 8/25/16 and maintained on 8/25/16. The valve operated normally. Notes were added to the valve cards to indicate the issues encountered (see Attachment). I&R will monitor these valves closely during annual maintenance and flush as necessary. If these valves continue to be problematic, I&R will submit these valves for replacement.</p> <p>Based on a review of the maintenance records, the "difficult to operate" conditions for the inlet and outlet valves associated with a given regulator station appears to be isolated to this location. As noted above, the I&R supervisor will continue to monitor the conditions, and will coordinate with the Quality Control Group personnel to note any similar occurrences during the monthly review. If other similar occurrences are noted, the I&R supervisor will work with local engineering and asset management personnel to further investigate such conditions.</p>	AOC2 - Valve Cards for DR 175_CONF.pdf