

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

August 7, 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

GI-2017-05-PGE19-01C &amp; 15

SUBJECT: Safety and Enforcement Division closure letter for the General Order 112  
Inspection of Burney District of Pacific Gas and Electric Company

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed Pacific Gas and Electric Company's (PG&E) response letter dated July 17, 2017 for the findings identified during the General Order (GO) 112<sup>1</sup> inspection of PG&E's Burney District which was conducted from May 8 through May 12, 2017.

A summary of the inspection findings documented by the SED, PG&E's response to SED findings, and SED's evaluation of PG&E's response taken for each finding are outlined for each identified violation, concern and recommendation.

This letter serves as the official closure of the 2017 PG&E Burney District safety inspection and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program or a formal proceeding.

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

Sincerely,

A handwritten signature in blue ink that reads "Dennis Lee".

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

cc: Susie Richmond, PG&E Gas Regulatory Support  
Mike Bradley, PG&E  
Kenneth Bruno, SED  
Terence Eng, SED  
Kelly Dolcini, SED

<sup>1</sup> General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 15-06-044.

## **A. PG&E's Internal Inspection Findings**

Prior to the start of the inspection, PG&E provided SED its findings from the internal review it conducted of the District. Some of the internal review findings are violations of PG&E's operations and maintenance standards, and are therefore violations of Title 49 Code of Federal Regulations. Table 1 lists PG&E's internal findings.

**Table 1:** Burney District Internal Review Findings

<b>Topic</b>	<b>Code Section</b>	<b>Finding</b>	<b>Instances</b>	<b>Completion Date</b>
Valves	192.605(a)	Valve V-40 in Burney Compressor Station - maintenance was not documented on form TD-4430P-04 (Gas Valve Maintenance Record - Service History) prior to January, 2017, but was instead documented in PLM or SAP.	1	4/11/2017
Corrosion	192.465(a)	2016 reads for ETS points were read beyond the compliance window.	2	9/14/2016
Equipment	192.13(c)	4 pipe locators and 2 combustible gas indicators had instances where the calibration verification exceeded 45 days between checks.	6	4/24/2017
Maintenance	192.605(a)	Filters in gas supply racks were not replaced in 2016 per TD-4545P-10, but were instead inspected during regular maintenance.	25	5/3/2017

### **PG&E's Response:**

As noted in SED's inspection report, the corrective actions have already been completed and provided to SED.

### **SED's Conclusion:**

SED has opted not to issue a fine or penalty since PG&E took the appropriate remedial action.

## **B. Probable Violations**

None

## **C. Area of Concern/Observations/Recommendations**

### **AOC-1**

During the field inspection at the Tionesta Compressor Station, SED asked PG&E personnel to demonstrate how they access the Gas Emergency Response Plan. The process included accessing the PG&E intranet and waiting for the Gas Emergency Response Plan (GERP) to download before accessing the manual. SED recommends that PG&E store a hard-copy of the GERP at the compressor station for immediate access.

#### **PG&E's Response:**

The Tionesta and Burney Compressor Stations now have Gas Emergency Response Plan (GERP) flash drives in each office. In the event of an emergency, on site personnel can now use this flash drive to quickly access the Emergency Response Plan.

#### **SED's Conclusion:**

SED has reviewed PG&E's response and determined that the corrective action performed by PG&E sufficiently addressed SED's concern.

### **AOC-2**

PHMSA Advisory Bulletin ADB-05-03 advises natural gas pipeline operators of the need to preplan for coordinated responses to pipeline emergencies with owners of electric and other utilities located near the pipeline right of way. During the inspection at the Tionesta Compressor Station SED observed electrical transmission power lines in close proximity to the compressor station. PG&E explained that the power lines are operated by Pacific Power and Light. The documentation reviewed by SED did not indicate PG&E included Pacific Power and Light in emergency response liaison efforts. SED recommends that PG&E preplan with Pacific Power and Light regarding potential hazards that could result from the proximity of the power lines to the compressor station, include them in emergency response liaison activities, and invite them to future exercises at the compressor station.

#### **PG&E's Response:**

The Sr Emergency Preparedness Coordinator has scheduled the 2017 North Valley Division OEC Exercise (which includes Burney District) for October 12, 2017. Pacific Power and Light will receive invitations for this exercise and all future exercises.

#### **SED's Conclusion:**

SED has reviewed PG&E's response and determined that the corrective action performed by PG&E sufficiently addressed SED's concern.

### **AOC-3**

Title 49 CFR §192.463 External corrosion control: Cathodic protection states in part:  
*“(a) Each cathodic protection system required by this subpart must provide a level of cathodic protection that complies with one or more of the applicable criteria contained in appendix D of*

*this part. If none of these criteria is applicable, the cathodic protection system must provide a level of cathodic protection at least equal to that provided by compliance with one or more of these criteria.”*

During the inspection at the Burney Compressor Station, district personnel found low pipe to soil potentials of -822mV at Valve C and -720 mV at Valve 2. These reads are out of tolerance with the -850 mV criteria.

**PG&E’s Response:**

These low reads were due to damage to the ground bed caused by the Station rebuild that is currently ongoing. These valves will be removed as part of the K-2 compressor replacement work, and the ground bed will be replaced. This work is estimated for completion in Q1 of 2018.

**SED’s Conclusion:**

SED will check in future inspections to ensure that PG&E has indeed remediated these issues.