

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 23, 2017

Mr. Sumeet Singh, Vice President
Gas Asset and Risk Management
Pacific Gas and Electric Company
6111 Bollinger Canyon Road, Room 4590-D
San Ramon, CA 94583

GI-2017-02-PGE01-02C

Re: SED's closure letter for the General Order 112 Inspection of PG&E's East Bay Division - 2017

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 June 15, 2017 for the findings identified during the General Order 112 Inspection of PG&E's East Bay Division (Division) which was conducted from February 6-8 & March 8-9, 2017.¹

A summary of the inspection findings documented by the SED, PG&E's response to our findings, and SED's evaluation of PG&E's response taken for each finding are outlined for each identified Violation and Area of Concern and Recommendation.

This letter serves as the official closure of the 2016 General Order 112-F Inspection of the Division 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 Inspection. Please contact Mohammad Ali at (916) 928-2109 or at ma5@cpuc.ca.gov if there are 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: Mike Bradley, PG&E Gas Regulatory Support
Susie Richmond, PG&E Gas Regulatory Support
Kenneth Bruno, SED
Terence Eng, SED
Kelly Dolcini, SED

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

SUMMARY OF INSPECTION FINDINGS

I. Probable Violations

A. PG&E's Internal Audit Findings

Prior to 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 audit related violations from PG&E's internal review.

Table 1: PG&E's Internal Review

Topic	Item #	CF Code	# of Non-Compliances.	Finding Description	Corrective Action	Remediation Date
2014 Leak Repair	1	192.605(a)	12	Leak Repaired, checked, downgraded Late (12) a) Gr 2+ : Lk #: 109980355 b) Gr 2's: Lk#s: 2613243451; 2614540331 c) Gr 1's: 109764371 - (2); 2614140291; 2614140431; 2614141901; 2814841561; 2814241001; 2814247211; 2814410821	Migrated Leak management system from IGIS to SAP in 2014. All identified Leak work is now scheduled based upon grade and dates found and input.	12/31/2014
2015 Leak Survey	2		5	Not Following Company Procedures (5) Late Leak Investigation of Non-hazardous leak in HCA Leak #: 110870796, 110870791, 110866794, 111219401	Lk#110870796: Gr 3 leak on valve stem L 105A, -eliminated by lubricating. Leak#110870791: Gr 3 leak on valve stem in vault-eliminated by lubricating. Leak#110866794: Gr 2+ leak on sensing line cap, eliminated by tightening. Leak#111219401: Gr 3 leak on 3/4" valve gage tap - eliminated by tightening.	12/31/2016
2015 Leak Repair	3		21	Not Following Company Standards (21) Sketch missing from SAP Lk #s: 110175843; 110148527; 110154423; 110154424; 110161597; 110167871; 110173307; 110174898; 110175683; 110179616; 110212159; 110385088; 110390107; 110392581; 110406884; 110408575; 110410621; 110411262; 110411315; 110414825; 110414826.	System wide issue. Tailboarded construction and clerical as to the correct place to attach sketches.	9/30/2015
2016 Leak Survey	4		17	Not following Company procedures(10)-Completed maps not reviewed/signed off by Supervisor: Map/ Plat:5D02; 41F02;2A10;5C06;5D04;2B15;2C14;5C07;42B01, 2B10,10A01. Not following Company procedures(7)-25' of main not surveyed within compliance time frame (Richmond)Map/Plat 41F02;2A10;2B15;2C14;5C07;42B01;2B10.	Surveyed additional 25' of main on either side of the service tee. In an effort to comply with change of procedure, additional footage was surveyed along Main. Team reopened annual maps and had worked done after due date.	8/31/2016
OQ – Leak Survey -Trans.	5		1	Not following Company Standards: (1) Employee's qualifications were removed for work being performed. Qualification removed on 10-15-15 and employee performed survey on 10-17-15	Upon discovery, OQ'd employee was assigned task of performing leak survey in area. Records of survey completed by unqualified surveyor were invalid. Records of qualified surveyor were	3/12/2016

					recorded.	
--	--	--	--	--	-----------	--

PG&E’s Response:

There are no pending actions from the internal review findings for the East Bay Division.

SED’s Conclusion:

SED has opted not to impose any fine or penalty for any items listed in Table 1 since PG&E took the necessary corrective actions.

B. SED Findings

1. Title 49 Code of Federal Regulation §192.707: Line markers for mains and transmission lines states:

(a) Buried pipelines. Except as provided in paragraph (b) of this section, a line marker must be placed and maintained as close as practical over each buried main and transmission line:
(1) At each crossing of a public road and railroad; and
(2) Wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference....

a) During SED’s field inspection of transmission line on route 0126-01 (1410 Kelsey Street, Richmond), no visible line markers or decals were observed within five blocks from the pipeline. The 22” Transmission line runs along Gertrude Ave. and was asphalt paved. Therefore, PG&E is in violation of CFR §192.707(a).

b) During SED’s field inspection of transmission line on route 105A (920 Allston Way, Berkley), no visible line markers or decals were observed within five blocks from the pipeline. The line runs along 7th Street between Allston Way and Parker Street and was asphalt paved. Therefore, PG&E is in violation of CFR §192.707(a).

c) During SED’s field inspection of transmission line on route 105A (515 Silver Ave, Richmond), no visible line markers or decals were observed within five blocks from the pipeline. The 24” transmission line runs along Market Street through the residential areas. Therefore, PG&E is in violation of CFR §192.707(a).

d) During SED’s field inspection of transmission line on route identified as DREG 4275 (1528 Pomona Street, Crockett), no visible line markers or decals were observed within five blocks from the pipeline. The pipeline was roughly identified by a small temporary yellow flag on the ground. Therefore, PG&E is in violation of CFR §192.707(a).

PG&E responded to the findings noted above [1(a) – 1(d)] that they will need to follow up the issues with a Subject Matter Expert (SME) for an explanation and response. PG&E also indicated that exceptions stated in §192.707 may provide a part of the explanation. As of

today, SED has not received any response from PG&E. SED requests a follow-up response for these probable violations.

PG&E's Response:

PG&E respectfully disagrees with these findings. The four locations identified above in a, b, c, d were confirmed to be transmission lines in Class 3 locations and in an area where it is impractical to install line markers, therefore it meets the exception requirement of 192.707(b)(4).

SED's Conclusion:

SED has opted not to impose a fine or penalty since PG&E provided a satisfactory response.

II. Areas of Concern/ Observations/ Recommendations

Area of Concern # 1.

During SED's leak survey field inspection on 3/8/17, PG&E could not locate the service addresses of 1207 16th Ave. and 1223 16th Ave. in Oakland, listed on PG&E's plat map 7F08-76, published on 10/01/2014. However, PG&E performed a leak survey on a nearby gas service located at 1223 16th Street, Oakland instead. Please explain the discrepancy of the addresses on the plat map.

PG&E's Response:

PG&E determined that the discrepancy was an incorrect address on the plat map. The location was field verified and the map was updated accordingly. Please see attached MapCorrection_16th Ave_CONF.pdf" for a copy of the map correction form and "Updated Plat Map_16th_Ave_CONF.pdf" for a copy of the updated plat map. Please note that 1223 16th Ave was locatable, and a leak survey was performed during the field visit.

SED's Conclusion:

SED has opted not to impose a fine or penalty since PG&E took the necessary corrective actions.

Area of Concern # 2.

During SED's leak survey field inspection on 3/8/17, a gas leak was encountered at 1622 E. 12th Street in Oakland. The Leak Surveyor identified the leak inside a curb meter box located within 5 feet of a building, and classified the leak as Grade 1 per PG&E Procedure TD-4110P-09, Section 4.1. PG&E leak surveyed this service on 2/3/2016 and the next leak survey is due by May of 2017. The Leak Surveyor reported the leak to General Construction (GC). GC personnel arrived at the site within an hour. PG&E, upon further investigation of the leak condition, determined that the measured gas was due to the venting of gas from the regulator. PG&E downgraded the leak to Grade Zero and no repairs were needed. SED requests a response on how PG&E plans to reduce accumulation of venting gas in the meter box.

PG&E's Response:

PG&E respectfully disagrees with this concern. The measured gas was due to the venting of gas from the regulator as designed. In addition, the gas reading was determined to be aboveground and the facility is designed to be exposed to atmosphere. PG&E Design Standard "J-14.1 - Curb Meter Installations.pdf," Step 5 discusses the design requirements for the regulator vents terminus for curb meter installations. PG&E Design Standard "J-15 - Gas Meter Locations.pdf" discusses the meter set clearance requirements, including service regulator vents. Following the requirements in Design Standard J-14.1 and J-15 will reduce the accumulation of vented gas out of the meter box.

SED's Conclusion:

SED has opted not to impose a fine or penalty since PG&E took the necessary corrective actions.

Area of Concern # 3.

During SED's record review of Plat maps IB13, IC10, and IC12, SED observed that several gas services in the cities of Richmond and San Pablo were not leak surveyed in 2014 or 2016. PG&E responded indicating that these services were not leak surveyed due to a Business District and Public Assembly (BD/PA) revision. Please provide SED with the effective date of the BD/PA revision

PG&E's Response:

The first system-wide BD/PA update was completed on 12/31/2015. The enhanced update, which further identified BD/PA locations, was completed on 6/6/16.

SED's Conclusion:

SED has opted not to impose a fine or penalty since PG&E provided a satisfactory response.