

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



May 19, 2017

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

GI-2017-04-PGE-09-02C

SUBJECT: General Order 112 Gas Inspection of PG&E's Humboldt Division

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112 inspection of Pacific Gas & Electric Company's (PG&E) Humboldt Division (Division) on April 25-28, 2017.¹ The inspection included a review of the Division's records for the period of 2014 through 2016, as well as a representative field sample of the Division's facilities in the Humboldt County. SED staff also reviewed the Division's operator qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED's findings are noted in the Summary of Inspection Findings (Summary) which is enclosed with this letter. The Summary reflects only those particular records and pipeline facilities that SED inspected during the inspection.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by PG&E to address the violations and observations noted in the Summary.

If you have any questions, please contact Wai Yin (Franky) Chan at (415) 703-2482 or by email at Wai-Yin.Chan@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

Enclosure: Summary of Inspection Findings

cc: Mike Bradley, PG&E Compliance

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

Susie Richmond, PG&E Gas Regulatory Compliance

SUMMARY OF INSPECTION FINDINGS

I. Probable Violations

A. PG&E's Internal Audit Findings

Prior to the start of the audit, PG&E provided SED its findings from the internal review it conducted of Humboldt Division (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). SED is aware that PG&E corrected some of its findings prior to SED's inspection. Table 1 lists all of the violations from PG&E's internal review.

Table 1: PG&E's Internal Review

Code Section	# of Non-Compliance	Finding Description	Corrective Action	Remediation Date
192.605(a)	2	Regulator station datasheet and maintenance form were not filled out properly in 2016.	Datasheet and maintenance form were updated. These findings have been discussed with the supervisor and employees in an effort to minimize the discrepancies going forward. In addition, a Gas Compliance desk has been added for another level of records review.	10/26/2016
192.805(b)	5	Gas services disconnected by personnel with lapsed operator qualifications.	Supervisors are to scan each employee's operator qualification card periodically to ensure each employee has the proper qualification to perform covered tasks. Supervisors also have communicated with employees their responsibility to ensure they have proper qualifications before performing work. Operator qualification testing is scheduled in June 2017 in Eureka.	June 2017

Please provide SED a status update on the internal findings that remediation were not completed as of April 28, 2017.

II. Areas of Concern/ Observations/ Recommendations

1. During its field verification, SED found that the two L-177A exposed spans (mile points 189.5 and 190.2) had minor coating damages. On a post inspection response dated 5/4/2017, PG&E notified SED that the coating damages have been remediated by recoating with the wax tape method and the corrective work orders for L-177A mile points 190.2 and 189.5 are 43002511 and 43002510, respectively. This note serves as a record of the observation.
2. During SED's field verification on 4/27/2017, the Division conducted a leak recheck for a grade 3 leak at 2170 Hemlock Street, Eureka and upgraded the leak to grade 1 due to the short distance that the gas was detected from the residential structure. PG&E's construction crew stopped the leak and completed the repair on 4/28/2017. This note serves as a record of the observation.
3. SED reviewed the Division's transmission exposed spans records and found that some of the intentional exposed spans do not meet PG&E's design standards for spans. Corrective actions are required to be completed within 39 months from the date of determination of the spans not meeting the standards. Please provide SED with a response indicating PG&E's corrective action plan and proposed remediation date for each of the exposed spans not meeting the standards.