

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 31, 2018

Mr. Melvin Christopher, Vice President
Pacific Gas and Electric Company
Gas Transmission and Distribution Operations
6121 Bollinger Canyon Road
San Ramon, CA 94583

GI-2018-02-PGE03-02ABC

SUBJECT: Safety and Enforcement Division closure letter for the General Order 112-F
Inspection of Mission Division of Pacific Gas and Electric Company

Dear Mr. Christopher:

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 24, 2018 for the findings identified during the General Order (GO) 112-F inspection of PG&E's Mission Division which was conducted from February 26 through March 9, 2018.

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 2018 PG&E Mission Division 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 Nathan Sarina at (415) 703-1555 or by email at nathan.sarina@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
Bhavini Shah, PG&E
Kenneth Bruno, SED
Terence Eng, SED
Kelly Dolcini, SED
Claudia Almengor, SED

I. 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 Division. 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: PG&E's Internal Review - Mission Division

Code Section	# of Non-Compliance	Finding Description	Corrective Action	Remediation Date
192.605(a)	1	Late coating on pipeline for atmospheric corrosion prevention.	CAP Item #113223931 – shows completed late	9/22/2017
192.805(b)	5	Corrosion Mechanic not operator qualified for Cathodic Protection Maintenance.	CAP Item #112966362 Corrosion Mechanic is now properly qualified. Supervisor is updated weekly on corrosion mechanics OQ.	6/1/2017
192.465(b)	23	Late Bi Monthly reads	CAP # 112780086 All reads 3-7 days late.	11/30/2015
192.465(a)	2	Late yearly Cathodic Protection reads	Cathodic Protection reads were late and supervisor provided tailboard on CAP notification with his team.	1/7/2016
192.605(a)	1	Unmapped facilities installed in 1993, location is currently included on an annual leak survey map.	CAP 70022504. WHIP cloud added to maps to indicate facilities installed, but not mapped. PM 42883279 created to capture necessary documentation (service tee, riser, etc.)	12/31/2018 (Pending)
192.605(a)	1	Locating equipment, missed calibration interval of 45 days.	CAP 11376890, Identified and calibrated 10/23/2017	10/23/2017
192.605(a)	1	Gas Stub cut off late	CAP 114109590 – Stub cut off 4 days late	12/12/2017
192.605(a)	1	Applicant installed pipe was pressure tested at 90 psig instead of 100 psig	CAP # 7039403 – Discovered 2/17/2017 and main was retested.	12/28/2017
192.605(a)	2	1) Clearance completed without notifying gas control. 2) Clearance supervisor did not provide location of blowdown to Gas Control.	CAP # 7041547, #112855784 Superintendent met with crews and discussed clearance requirements.	2/6/2017, 6/6/2017
192.605(a)	2	I-010 project commenced in March 2015. On June 5, 2015, C&S recalled a weld procedure 111SLH-SW and replaced it with WPS 166 SCLH-BR. Project made transition mid-construction to complete the rest of the	Welds were cut out and the line replaced.	12/1/2016

		welds using the new procedure.		
192.805(a)	1	Mechanic was not qualified to perform a clearance.	CAP #114039469, Line was retested with Qualified employee.	12/6/2017
192.805(a)	2	Mechanic was not qualified to perform work for covered tasks 03-05, 02-07 and 04-04.	CAP #114034756, Job was redone.	12/1/2017
192.805(a)	1	Mechanic not qualified to perform a partial service replacement.	CAP #11403243, job was redone.	12/1/2017
192.805(a)	310	Corrosion mechanic no qualified for troubleshooting (03.03, 0311I, 03.11, 0307I, 03.07).	CAP #112966362 Corrosion mechanic is now qualified.	8/16/2017
192.805(a)	3	Mechanic not qualified to perform weld inspections Covered task 10.02	CAP #113099441 Issues resolved through leak survey and re-inspection of welds.	10/23/2017
192.605(a)	3	Incorrectly sized Excess Flow Valve installed.	CAP #7032708 Replaced EFV's with correctly sized EFV's	5/19/2017
192.605(a)	1	Late Overbuild repair.	CAP #7026196. Construction completed.	3/31/2016
192.605(a)	4	Late grade 2 distribution rechecks (TD-4110P-09)	CAP #113093923 – 3 rechecks completed Leak #113219586 rechecked	8/16/2017 3/9/2018
192.723(a)	3	Late Distribution Leak Surveys.	CAP #114327540 – maps leak surveyed CAP #112715750 – map was surveyed	3/20/2017 2/24/2017 3/29/2017
192.619	1	District regulator station was not constructed in accordance with design standards.	CAP # 113742294 – Station has been shut in since December 2016 and will remain out of service pending rebuild.	5/1/2018 (Pending)
192.605(a)	8	Regulator “A” Maintenance missed for large volume meters.	CAP 114155899 resolved missed maintenance. This is a system wide issue and is being resolved in SAP.	Pending
192.605(a)	2	2 regulator stations have discrepancy between the Station operating diagram and datasheet and the OP diagram MAOP and MAOP datasheet.	Supervisor created CAP to update MAOPs and the diagrams were replaced.	7/28/2016
192.605(a)	1	Limitation on MAOP Design exceed, due to discovery of Furnace Butt Welded pipe (FBW).	CAP 7031500 - Upstream inlet fire valve closed and pressure has been bled down. Regulator Station will remain shut-in until FBW pipe is replaced.	6/1/2016
192.605(a)	2	Missed C inspection.	CAP #7031310 - Yearly maintenance plan has been	7/18/2016 6/17/2016

			created. CAP #7031303 – Performed C in addition to A inspection.	
192.605(a)	9	9 devices in a station SCADA missed their yearly maintenance.	CAP #114327553 for completed maintenance.	12/2/2016
192.743(a)	2	Relief Valve Calculation not performed within 30 day requirement	Both relief valves have been completed.	6/2/2011 10/21/2011
192.605(a)	15	Maintenance records not signed off within 30 days of performed work.	Non correctable finding, but signed late.	Ongoing
192.605(a)	1	Valve not checked within 6 months of commission date.	Maintenance has been completed.	8/9/2016
192.747	5	Valves missed maintenance.	Valve maintenance completed see: CAP #112657488 CAP #114327760	3/1/2017 8/5/2016
192.605(a)	2	Control valve and actuator missed 6 months maintenance after initial installation.	CAP #114327892 for later corrective maintenance.	9/15/2016

PG&E's Response:

1. District regulator station RL - 10 was not constructed in accordance with the design drawings and standard requirements for materials, equipment type and clearance distances. PM #31371568 has been created to rebuild the regulator station in 2019.
2. "A" maintenance missed on large volume meter sets (EQ #'s: 43660869; 43659675; 43659649; 43660861; 43659665; 43664528; 43659661; 43660881). Per CAP #114155899, Field Services completed these by 3/28/18.

SED's Conclusion:

SED opted not to impose a fine or penalty at this time since the violations did not create any hazardous conditions for the public or utility employees. SED may opt to review the corrective actions at a future date.

II. Probable Violations

1. Title 49 CFR §192.605(a) states in part: “General. Each operator shall prepare and follow for each pipeline, a manual of written procedures....”

PG&E's procedure TD-4540P-01 states, “7.1 Supervisors,...4. Review and approve all records for work performed at each regulator station within 30 days of completion of maintenance.” During SED's review, SED discovered that the supervisor review of regulator RF-18 exceeded the 30 day requirement outlined in procedure TD-4540P-01.

2. Title 49 CFR §192.605(a) states in part: “General. Each operator shall prepare and follow for each pipeline, a manual of written procedures....”

PG&E's procedure TD-4430P-04 states, “3.3 Maintenance supervisor, upon completion.....1. Review, within 30-working days, each” During SED's review, SED discovered the supervisor reviews of 11 valves (M-11, M-12, X-100, M-29, X-114, D-70,

X-73, X-113, E-19, X-55, E-23) exceeded the 30 day requirement according to procedure TD-4430P-04.

3. Title 49 CFR §192.605(a) states in part: “General. Each operator shall prepare and follow for each pipeline, a manual of written procedures....”

PG&E’s procedure TD-4110-P09 states, “8.2.3 Recheck Grade 2 leaks before repair at intervals of 6 months, not to exceed 7 months to the date.” During SED’s review, SED discovered a grade 2 leak, Leak #112981269, which was reported on June 19, 2017 where PG&E did not perform the recheck in the timeframe outlined by PG&E procedure TD-4110-P09.

PG&E’s Response:

1. PG&E agrees that we've missed the 30-day supervisor review for these maintenance records. Please note that PG&E approved a variance on 12/7/17 to remove the 30-day supervisor review requirement in TD-4540P-01 and TD-4430P-04 to align with 49 CFR 192.739, 745 and 747. This change will be reflected in the next revision of the procedures.
2. PG&E agrees that we've missed the 30-day supervisor review for these maintenance records. Please note that PG&E approved a variance on 12/7/17 to remove the 30-day supervisor review requirement in TD-4540P-01 and TD-4430P-04 to align with 49 CFR 192.739, 745 and 747. This change will be reflected in the next revision of the procedures.
3. As discussed during the audit, the recheck was performed on 3/2/18. Unfortunately, the leak wasn’t validated in our system and was stuck in the Gatekeeper until we noticed it during the first week of the audit. We took action right away and rechecked it the next day.

SED’s Conclusion:

1. SED opted not to impose a fine or penalty at this time since the violations did not create any hazardous conditions for the public or utility employees. SED may opt to review the revision at a future date.
2. SED opted not to impose a fine or penalty at this time since the violations did not create any hazardous conditions for the public or utility employees. SED may opt to review the revision at a future date.
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III. Area of Concern/Observations/Recommendations

1. In Table 2, SED noted the following cathodic protection readings during its field observations.

Table 2. List of cathodic protection readings taken.

Address	CP Read (mV)
32657 Brenda Way, Union City	-886
3228 Santa Sophia Ct, Union City	-728
159 Beckett Terrace, Fremont	-864
2532 Shadow Mountain, San Ramon	-606
2549 Shadow Mountain, San Ramon	-530
2557 Shadow Mountain, San Ramon	-560
211 Canyon creek Ct, San Ramon M-16-4	-527
2503 Kilpatrick Ct, San Ramon	-637
611 Abrigo Ct, San Ramon	-739
2761 Fountain Head Dr, San Ramon	-789
445 Blanco Ct, San Ramon	-108

In a PG&E response dated April 11, 2018, PG&E noted that all inadequate reads were corrected.

2. During its field observation, SED observed the following condition:

While conducting an atmospheric corrosion (AC) inspection at 1252 Quarry Lane, Pleasanton, an anode was discovered pulled out of the ground.

In a PG&E response dated April 11, 2018:

A new anode was installed on March 29, 2018 under PM #93299184 with an adequate cathodic protection reading.

3. During its field observation, SED observed the following condition:

At 3232 El Suyo Dr., San Ramon, SED confirmed that meter protection was needed.

In a PG&E response dated April 11, 2018:

2 bollards were installed on March 20, 2018 under PM #43292490.

PG&E's Response:

1. PG&E investigated the low reads, created troubleshoot tickets for locations requiring further investigation and made necessary repairs. Please see details below:

Table 3. PG&E Remedial Reads.

Address	CP Read (mV)
32657 Brenda Way, Union City	-1003
3228 Santa Sophia Ct, Union City	-1590
159 Beckett Terrace, Fremont	-1296
2532 Shadow Mountain, San Ramon	-985
2549 Shadow Mountain, San Ramon	-975
2557 Shadow Mountain, San Ramon	-975
211 Canyon creek Ct, San Ramon M-16-4	-982
2503 Kilpatrick Ct, San Ramon	-994
611 Abrigo Ct, San Ramon	-999

2761 Fountain Head Dr, San Ramon	-1006
445 Blanco Ct, San Ramon *PG&E note 455 Blanco Ct, San Ramon is actually the low read location, not 445.	-904

2. A new anode was installed on 3/29/18 under PM #43299184 with a post-installation reading of -1,308 mV.
3. 2 bollards were installed on 3/20/18 under PM #43292490. Please see "Att #2 - El Suyo Dr.pdf" for a post installation photo.

SED's Conclusion:

1. SED reviewed PG&E's response and acknowledges that the plans for the necessary corrective actions have been performed. SED may opt to review the repair records and conduct field verifications after the repairs have been completed.
2. SED reviewed PG&E's response and acknowledges that the plan for the necessary corrective action has been performed. SED may opt to review the repair records and conduct field verifications after the repair has been completed.
3. SED reviewed PG&E's response and acknowledges that the plan for the necessary corrective action has been performed. SED may opt to review the repair records and conduct field verifications after the repair has been completed.