

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



June 29, 2018

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-2018-02-PGE-03

SUBJECT: General Order 112-F Gas Inspection of PG&E's Mission Division

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Pacific Gas & Electric Company's (PG&E) Mission Division (Division) from February 26 to March 9, 2018. The inspection included a review of the Division's records for the period of 2015 through 2017, as well as a representative field sample of the Division's facilities. 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 Nathan Sarina at (415) 703-1555 or by email at [Nathan.Sarina@cpuc.ca.gov](mailto:Nathan.Sarina@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  
Susie Richmond, PG&E Gas Regulatory Compliance  
Kelly Dolcini, SED

## 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 PG&E's Mission 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. Please provide updates to the items that were still pending by the end of the inspection. Table 1 lists all of the violations from PG&E's internal review.

**Table 1: PG&E's Internal Review - Mission Division**

<b>Code Section</b>	<b># of Non-Compliance</b>	<b>Finding Description</b>	<b>Corrective Action</b>	<b>Remediation Date</b>
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 W\S 166 SCLH-BR. Project made transition mid-construction to complete the rest of the welds using the new procedure.	Welds were cut out and the line replaced.	12/1/2016
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 created. CAP #7031303 – Performed C in addition to A inspection.	7/18/2016 6/17/2016
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

## B. SED Findings

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.

In a PG&E response dated April 11, 2018 PG&E agrees that the 30 day supervisor review was missed. PG&E did approve a variance on 12/7/2017 to remove the 30 day supervisor review requirement in TD-4540P-01. The change will be reflected in the next revision of the procedure.

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.

In a PG&E response dated April 11, 2018 PG&E agrees that the 30 day supervisor review was missed. PG&E did approve a variance on 12/7/2017 to remove the 30 day supervisor review requirement in TD-4430P-04. The change will be reflected in the next revision of the procedure.

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-P09states, “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.

In a PG&E response dated April 11, 2018: As discussed during the audit, the leak recheck was performed on 3/2/2018.

## II. Areas of Concern / Observations

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.