

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 6, 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-01-02A, 02B, 02C

SUBJECT: General Order 112-F Gas Inspection of PG&E's East Bay 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) East Bay Division (Division) on February 5-9 and 12-16, 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 in various cities. 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 Sikandar Khatri at (415) 703-2565 or by email at Sikandar.Khatri@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 East Bay Division (Division). Various updates were also provided during the audit. 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 and others are due to be completed at later dates. Please provide an update on the findings that were still pending/ongoing at the time of the audit.

B. SED Findings

1. Title 49 CFR §192.721 (b) Distribution systems: Patrolling states:

*“Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage must be patrolled -
(1) In business districts, at intervals not exceeding 4½ months, but at least four times each calendar year; and
(2) Outside business districts, at intervals not exceeding 7½ months, but at least twice each calendar year.”*

PG&E procedure PG&E TD-4412P-07 stipulates the same requirements.

SED observed that PG&E has identified a number of sites in East Bay Division for distribution patrolling; these include sites where physical movement and external loading is expected. PG&E records show that these have not been patrolled at the frequencies identified in the Code as outlined above and also per PG&E procedures. This was also discussed and pointed out in audit letters of 2012 and 2014. PG&E has failed to comply with the requirements.

During this audit, this issue was discussed with PG&E, and the staff told that a comprehensive effort is under way system-wide to identify and develop monitoring plan for the distribution patrolling sites. Another issue discussed was about PG&E staff responsible for identifying and those performing patrolling need suitable training. Please provide an update on:

- (a) the identified sites for distribution patrolling in East Bay Division
- (b) changes made to patrolling frequencies for existing (at the time of audit) and newly identified sites
- (c) Steps taken to train patrolling staff.

2. Title 49 CFR §192.453 General states:

“The corrosion control procedures required by §192.605(b)(2), including those for the design, installation, operation, and maintenance of cathodic protection systems, must be carried out by, or under the direction of, a person qualified in pipeline corrosion control methods.”

and Title 49 CFR §192.807 Recordkeeping states:

“(b) Records supporting an individual's current qualification shall be maintained while the individual is performing the covered task. Records of prior qualification and records of individuals no longer performing covered tasks shall be retained for a period of five years”

PG&E under pre-audit data request #14 provided CP (pipe-to-soil) reads together with the LAN IDs of individuals taking the reads. On SED's request, PG&E could not provide information that the individuals with LAN IDs, D6SC and R1T5 had the required training for Operator Qualification task 0306 to take the reads.

II. Areas of Concern:

During the audit, the following was observed:

1. Alameda Point (former Naval Base) in the City of Alameda.

The folders/records for meters 36 and 38 were not available. PG&E needs to locate these records or prepare the folders for future regular maintenance.

2. Alameda Point (former Naval Base) in the City of Alameda

The maintenance (A-inspection) for the meter # 11 has not been performed as required by PG&E procedure D-4540S. The maintenance should be performed now and regularly thereafter at the required intervals.

3. SED reviewed the Division's span records and conducted field observations.

(a) Span at the Oakland Zoo (Reference: GD.PHYS.OAKP.0010.0C05 WALL 10 PLAT C05, 112835344) had pitting and coating issues that were reported by PG&E staff in 2014. Subsequent inspection by PG&E in 2017 did not document any findings. SED during the field visit on 02/07/2018 verified that the pitting and coating issues have not been mitigated, and the span is also bent at a section. Please provide an update on action(s) taken to address these issues.

(b) Span at Tenant & Railroad (Richmond area) – SED during the field visit observed visible surface rust and pitting, same condition as previously documented by PG&E staff in span folder. Please provide an update on action(s) taken to address these issues.

4. SED observed that a number of issues were identified by PG&E staff on different regulator stations starting 2015, some examples are:

- a. Coating Defect (RC-07, RC-10, RB-98),
- b. Vent Stack need replacement (RC-07)
- c. Ladders need to be fixed (RC-23)

All identified issues have pending corrective actions. Please provide update on above and other stations.

5. Some other SED observations were made include:

- (a) 2120 Shattuck Ave., Berkeley - Meter was buried
- (b) 2016 Market St., Richmond – Meter protection was missing
- (c) 2190 Giant way, San Pablo – Valve was buried
- (d) 2375 Aberdeen Way, Richmond – Meter was resting on ground

6. The pipe-to soil reads at following locations were found to be low:

S.No.	Address	Pipe-to Soil Read (mV)
1	662 Longridge, Oakland	-540
2	6480 Melville, Oakland	-712
3	3020 Totterdell, Oakland	-640
4	1921 Durant, Oakland	-770
5	5326 Potrero, El Cerrito	-858 (10%er)
6	1347 Watkins, Berkeley	-839
7	1008 Key Route Blvd, Albany	-650
8	969 Curtis St., Berkeley	-725
9	1004 Peralta Ave, Albany	-784
10	501 Colusa Ave, El Cerrito	-640
11	1920 Francisco Way, Richmond	-720(10%er)
12	2016 Market St., Richmond	-693
13	303 S. 18 th , Richmond	-835 (10%er)
14	5413 Hillside, Richmond	-824 (10%er)
15	20 Eucalyptus Road, Berkeley	-635
16	2111 Martin Luther King Jr. Way, Berkeley	-795 (ETS)
17	304 Colette Richmond	-504
18	2942 Rollingwood, Richmond	-507 (10%er)