PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

January 31, 2020

Christine Cowsert
VP, Gas Asset Management and System Operations
Pacific Gas and Electric Company
Gas Transmission and Distribution Operations
6121 Bollinger Canyon Road
San Ramon, CA 94583

GI-2019-09-PGE-18

Re: SED's closure letter for the General Order 112 Gas Inspection of PG&E's Yosemite Division

Dear Ms. Cowsert:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed Pacific Gas & Electric Company's (PG&E) response letter dated November 27, 2019 for the findings identified during the General Order (GO) 112 inspection of PG&E's Yosemite Division which was conducted form September 9 to 20, 2019.

A summary of the SED's inspection findings, 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.

This letter serves as the official closure of the 2019 GO 112 inspection of PG&E's Yosemite Division and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program or a formal proceeding.

If you have any questions, please contact Kai Cheung at (415) 940-8836 or by email at Kai.Cheung@cpuc.ca.gov.

Sincerely,

Dennis Lee

Dennis Lee, P.E.
Program and Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

cc: Susie Richmond, PG&E Gas Regulatory Compliance
Justin Leany, PG&E Gas Regulatory Compliance
Terence Eng, SED
Kelly Dolcini, SED
Claudia Almengor, SED

Summary of Inspection Findings

Dates of Inspection: 09/09/2019 – 09/20/2019

Operator: PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Assets (Unit IDs): Yosemite Division (86281)

System Type: GD

Inspection Name: PG&E Yosemite Division

Lead Inspector: Kai Cheung

Operator Representative: Justin Leany

i. Unsatisfactory Results

(1) Records: Operations and Maintenance (PRR.OM)

(1.1) Question Text: Do records indicate testing or review of the capacity of each pressure relief device at each pressure limiting station and pressure regulating station as required?

References: 192.709(c) (192.743(a), 192.743(b), 192.743(c))

Assets Covered: Yosemite Division (86281 (18))

Issue Summary: Title 49 CFR §192.605(a) states:

"Procedural manual for operations, maintenance, and emergencies. (a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response."

PG&E's Gas design standard H-70, Pressure relief devices, section "Detailed Process for Inspection and Review" states:

"37. The following steps must be completed by local engineering personnel within 30 days of a follow-on operation being generated... E. If a new calculation review form is created, local engineering must forward the completed calculation review form and supporting documents to the local maintenance personnel..."

During review of regulator station records for HPR RC 04, the relief valve calculation sheet in 2016 indicated lowering the setpoint to 50 psi from 55. However, the records show the setpoint was maintained at 55 psi for years 2017-2019. Additional regulator stations with similar setpoint calculations: HPR RD-15, OAK HP 45, OAK HP 43, OAK HP 38, N HP 24, HP 07 Canal School Rd & HW 33.

PG&E's Response Regulator station datasheets have been reviewed and updated to assure alignment with relief valve set points established by the relief valve calculations observed within each station binder (Att-01).

To avoid reoccurrence, a refresher training to confirm the relief valve set point(s) from the datasheet align with the relief valve calculation was provided, increasing awareness and communication amongst staff (Att-02).

SED's Conclusion SED has opted not to impose a fine or penalty since PG&E took the appropriate remedial actions, and the violations did not create any hazardous conditions for the public or utility employees.

(1.2) Question Text Do records indicate persons inspecting the making of plastic pipe joints have been qualified?

References 192.287 (192.807(a), 192.807(b))

Assets Covered Yosemite Division (86281 (18))

Issue Summary Title 49 CFR §192.287 states:

"No person may carry out the inspection of joints in plastic pipes required by §§192.273(c) and 192.285(b) unless that person has been qualified by appropriate training or experience in evaluating the acceptability of plastic pipe joints made under the applicable joining procedure."

SED reviewed OQs for individuals (YO#56) who performed plastic joining in selected leak repair (YO#54). SED found that, in the construction project for SGO Capacity Franklin Street Escalon (Order No. 31095008) on 8/11/2016, LAN ID MASA was listed on the as-built drawing as the plastic fusion inspector. Upon further research, it was found that MASA did not possess the required OQ, 21-01 Polyethylene Pipeline Connection Inspection.

PG&E's Response The plastic fusions for the 2016 project (# 31095008) were performed and self-inspected by the employee with LAN ID R7C5. R7C5 possessed all applicable OQs covering the preparation, installation and inspection of plastic fusion for this project (Att-03). The project foreman's LAN ID (MASA) was incorrectly listed in the "Inspected by" field underneath where R7C5 was listed for the "Fusion by" field. It is recognized the record may give the impression that MASA was qualified, when instead R7C5 self-inspected his work therefore should have also been listed in the "Inspected by" field as well.

Clarification that only qualified people should endorse such signoffs was provided to R7C5 and MASA at their next Operator Qualification Annual Review (GAS-0134VL) on 15-Dec-2016. This clarification method was proposed and accepted by SED within the closure letter following the 2015 SED Inspection of Operator Qualifications.

SED's Conclusion SED has opted not to impose a fine or penalty since PG&E took the appropriate remedial actions, and the violations did not create any hazardous conditions for the public or utility employees.

ii. Concerns

(1) Records: Operations and Maintenance (PRR.OM)

(1.1) Question Text Do records indicate inspection and testing of pressure limiting, relief devices, and pressure regulating stations?

References 192.709(c) (192.739(a), 192.739(b))

Assets Covered Yosemite Division (86281 (18))

Issue Summary Stations DR RB-15, DR RA-24, and DR RB-61 have regularly had issues with achieving lock up. During this inspection, SED observed on 9/16/19 that the left run regulator and monitor of station DR RA-24 failed to lock up. SED is concerned that while lock up is always achieved after maintenance, there may be underlying issues that are not being addressed and the stations will continue to have problems achieving lock up.

PG&E's Response Following SED field observations, a non-destructive examination (NDE) was conducted of station components (Att-04). The examination revealed some loose debris that is now removed from the system (Order# 43957949).

SED's Conclusion SED determined that the corrective action taken by PG&E sufficiently addresses SED's concern.

(2) Pipeline Field Inspection: Pipeline Inspection (Field) (FR.FIELDPIPE)

(2.1) Question Text Are meters and service regulators being protected from damage consistent with the requirements of 192.355?

References 192.351 (192.355(a), 192.355(b), 192.355(c))

Assets Covered Yosemite Division (86281 (18))

Issue Summary SED observed two service regulators that were missing a screen to protect the regulator vent from insects and other blockages:

- ETS location at equipment ID 42071064, 11th St N/O Alley in Firebaugh
- ETS location at equipment ID 44317823, Lynn & Merced in Dos Palos

Date	Issue	City	Equip#	Notes
9/16/19	Screen missing in reg vent	Firebaugh	42071064	Technician plan to visit location Fri
9/17/19	Screen missing in reg vent	Dos Palos	44317823	Technician plan to visit location Fri

PG&E's Response These observations were communicated to our Field Services group and tracked via field activity numbers:

- Firebaugh location: #7351472918
- Dos Palos location: #7501573007

Both items have now been corrected.

SED's Conclusion SED determined that the corrective action taken by PG&E sufficiently addresses SED's concern.

(2.2) Question Text Are methods used for taking CP monitoring readings that allow for the application of appropriate CP monitoring criteria?

References 192.465(a) (192.463(b), 192.463(c))

Assets Covered Yosemite Division (86281 (18))

Issue Summary During the field verification of pipe-to-soil readings, SED noted six low pipe-to-soil readings (outside the -850mV requirement) at the following locations:

Date	Issue	City	Equip#	Corrective#	Notes
9/16/19	-809mV on ETS	Chowchilla	44354689	Notif# 117888164	troubleshoot to take place
9/16/19	-827mV on ETS	Firebaugh	44381205	Notif# 117888167	troubleshoot to take place
9/18/19	-255mV on 10%er	Newman	42821909	USA# X926300129-00X	Anode to be replaced, USA# opened, followed by SAP corrective #s
9/18/19	-550mV on 10%er	Turlock	42822053	USA# X926300136-00X	Anode to be replaced, USA# opened, followed by SAP corrective #s
9/19/19	-831mV on ETS	Modesto	44331802	Notif# 117901234	troubleshoot to take place
9/19/19	-494mV on ETS	Modesto	44331800	Notif# 117901230	troubleshoot to take place

Please provide to SED what PG&E plans to do to address this issue.

PG&E's Response The inadequate reads were addressed through corrective actions summarized below:
1) Rectifier adjusted, follow up read was -862mV (Notif# 118185499)
2) Rectifier adjusted, follow up read was -1028mV (Notif# 118186100)
3) New drivable anode installed; read at service was -1545mV (Notif# 117907013)
4) Riser replaced (plastic), no longer isolated steel (project# 43978428)
5) New deep well installation powered up, follow up read was -1464mV (Notif# 117901234)
6) New deep well installation powered up, follow up read was -1419mV (Notif# 117901230)

SED's Conclusion SED determined that the corrective action taken by PG&E sufficiently addresses SED's concern.