

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 16, 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-2020-04-PGE-02-02ABC

SUBJECT: SED's Closure Letter for General Order 112-F Gas Inspection of PG&E's Diablo 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 June 8, 2020 for the findings identified during the General Order 112-F inspection of PG&E's Diablo Division (Division), which included the included a remote review of the Division's records for the period of 2017 through 2019. SED conducted this records review inspection remotely due to California's stay at home orders. SED will conduct a future inspection to cover field observations and review some records that it could not review during this remote inspection.

A summary of the inspection findings documented by the SED, PG&E's response to our findings, and SED's evaluation of PG&E's response taken for each identified Violation and Area of Concern and Recommendation is attached.

This letter serves as the official closure for this portion of the 2019 GO 112-F Inspection of PG&E's Diablo Division 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 inspection. If you have any questions, please contact Dmitriy Lysak at (916) 327-6779 or by email at dmitriy.lysak@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Terence Eng".

Terence Eng, P.E.
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

cc: Susie Richmond, PG&E Gas Regulatory Compliance
Vincent Tanguay, PG&E
Ed Sentigar, PG&E Gas Regulatory Compliance
Dennis Lee, SED
Claudia Almengor, SED

Post-Inspection Written Preliminary Findings

Dates of Inspection: 4/20/2020 – 4/24/2020

Operator: PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Inspection Systems: Diablo Division

Assets (Unit IDs): Diablo Division (85405)

System Type: GD

Inspection Name: PG&E Diablo Division

Lead Inspector: Dmitriy Lysak

Operator Representative: Ed Sentigar

Unsatisfactory Results

No Preliminary Findings.

Concerns

Records : Corrosion Control (PRR.CORROSION)

Question Text Do records adequately document electrical isolation of each buried or submerged pipeline from other metallic structures unless they electrically interconnect and cathodically protect the pipeline and the other structures as a single unit?

References 192.491(c) (192.467(a), 192.467(b), 192.467(c), 192.467(d), 192.467(e))

Assets Covered Diablo Division (85405 (2))

Issue Summary SED inspected casing isolation records. PG&E's distribution casings are a new part of their inspection as of 2019. PG&E is running the Enhanced CP Survey Project running until 2021 to develop the procedures and standards for distribution casing inspections

Two distribution casings read in 2019 had casing to soil potential more negative than -800mV, however no corrective notifications were generated for these casings. According to PG&E, since criteria for distribution casings has not yet been finalized, contractor testing in 2017 and 2018 were used to determine isolation.

SED reviewed contractor inspections for both casings and equipment # 44647877 showed a pipe to soil potential of -1226mV and a casing to soil potential of -1021mV. The contractor was using PG&E's transmission casing criteria to test for isolation. According to PG&E's transmission casing criteria, if a casing to soil potential is more negative than -

800, it is possibly not isolated. Equipment # 44647877 was marked as isolated even though the casing to soil potential exceeded -800mV.

PG&E stated that the contractor did further testing to determine isolation for this casing but it was not documented. PG&E will have the contractor retest the casing for isolation and provide results to SED.

PG&E Response On 4/27/2020 a PG&E contractor revisited the site to repeat testing. Upon further testing of this casing, it was discovered that there is no accessible casing lead as once thought. Therefore, the original tests of casing to soil potential, as well as, casing-to-soil and pipe-to-soil potential difference are invalid as the data collected was on a locate wire attached through the bridge to the plastic system to the north rather than a casing lead. This locate wire runs adjacent and separate from the casing. The CP on the steel pipeline system was discovered to still be more negative than -850mV, as was indicated on the original testing. To further perform complete testing, a PG&E CP specialist attempted to use AC current attenuation and A-Frame testing to help determine the electrical isolation of the carrier pipe and casing. However, due to the installed configuration of the pipe and wires, not enough current could be pushed through to obtain accurate test data. Attached, please find the Attachment 1 - "2-390 Casing Retest" record. Since the CP levels on the steel pipeline system are within compliant levels, PG&E believes that the casing and pipe are not contacted. This casing has been added to our casing test lead installation program to add a wire at the steel to plastic transition and the casing in order to obtain conclusive data. Additionally, this casing will be added to the annual leak survey program.

SED Conclusion SED has reviewed the response from PG&E and determined that the corrective actions articulated by PG&E sufficiently address SED's concern.

Question Text Do records document examination of removed pipe for evidence of internal corrosion?

References 192.491(c) (192.475(a), 192.475(b))

Assets Covered Diablo Division (85405 (2))

Issue Summary SED observed that additional inspection form(A-form) with Order Number 3133142 had record of a steel pipe cutoff with plastic insert afterwards. PG&E performed a corrosion inspection of the external surface of the pipe, but not the internal surface. The A-form is a leak repair form which also captures records for internal inspections. Part 192.475(b) states in part, "Whenever any pipe is removed from a pipeline for any reason, the internal surface must be inspected for evidence of corrosion..." TD-4186S 1.2.1 states, "Whenever any pipe is removed from a pipeline for any reason, or whenever the interior surface of the pipeline is exposed, the internal surface must be inspected for evidence of corrosion." SED believes that, based on the record, an inspection for internal corrosion was possible. The A-form question states: Is the internal surface of the pipe visible? Neither 192.475(b) or TD-4186S 1.2.1 refers to the visibility of the interior surface. The criteria for inspection in 192.475(b) and TD-4186S is for any pipe that is removed for any reason, and the exposure of the interior surface by TD-4186S, which would still include the steel which housed a plastic insert in Order 3133142.

SED recommends that PG&E updates the relevant forms and procedures so that more information is captured when an internal corrosion inspection is unable to be performed due to lack of visibility.

PG&E Response After reviewing current company forms, it has been determined that they are appropriate and accurate for recording internal inspections on pipelines according to Federal regulations and company procedures. The A-Form question "Is the internal surface of the pipe visible? " is specific to occasions when pipeline is exposed externally but neither cut nor removed from the pipeline, thus negating the need to perform an internal inspection. If the answer to the A-Form question is "Yes", an internal inspection is required. The question does not relate to an inability to perform an internal corrosion inspection due to a lack of visibility.

In response to SED's concern, PG&E delivered a 5MM systemwide to reinforce that internal inspections must be performed on metallic pipelines when removed from a system for any reason as required per CFR 192.475(b) and company procedures TD-

4186S and TD-5100P-01. Attached, please find attachment 2 - "5MM Internal Inspection of Steel Pipe" record.

SED Conclusion SED has reviewed the response from PG&E and determined that the corrective actions articulated by PG&E sufficiently address SED's concern.