

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



February 3, 2021

GI-2020-08-PGE-29-08

Ms. Christine Cowser, VP, Gas Asset Management and System Operations  
Pacific Gas and Electric Company  
6121 Bollinger Canyon Road  
San Ramon, CA 94583

SUBJECT: SED Closure Letter for the General Order 112-F Inspection of PG&E's Transmission Integrity Management Program (TIMP)

Dear Ms. Cowser:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) reviewed Pacific Gas and Electric Company's (PG&E) response letter dated December 23, 2020 that addressed the findings identified during the General Order (GO) 112-F Transmission Integrity Management Program (TIMP) inspection from August 3-7 and August 10-14, 2020.

A summary of the inspection findings documented by SED, PG&E's response to our findings, and SED's evaluation of PG&E's response taken for each finding are outlined for the one violation and one concern in this letter.

This letter serves as the official closure of the 2020 Inspection of PG&E's TIMP.

If you have any questions, please contact Paul Penney at (415) 703-1817 or by email at: [Paul.Penney@cpuc.ca.gov](mailto:Paul.Penney@cpuc.ca.gov).

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

Enclosure: Closure Letter

cc: Anthony Kwong, PG&E,  
Terence Eng, SED/GSRB,  
Yi Yang, SED/GSRB,  
Mahmoud Intably, SED/GSRB,  
Susie Richmond, PG&E

# Closure Letter

## ***Integrity Management : Continual Evaluation and Assessment (IM.CA)***

**Question Text** Is the process for establishing the reassessment intervals consistent with 192.939 and ASME B31.8S-2004?

**References** 192.937(a) (192.939(a), 192.939(b), 192.913(c))

**Assets Covered** TIMP System Wide Audit (TIMP (HCA +))

### **Issue Summary**

#### **VIOLATION:**

While reviewing assessment records related to dynamic DC interference (Data Requests #32 and #36), SED staff noted that PG&E is still establishing assessment due dates for newly identified threats based on when the new threat was identified. This is contrary to 192.937(a) requirements unless a Confirmatory Direct Assessment (CDA) is done within the seventh year as specified in 192.939. PG&E is therefore in violation of 192.937(a) and 192.937(c).

From the 2017 TIMP audit, SED staff noted that PG&E was establishing independent threat ID dates for newly identified threats (See Appendix A: the attached section of the 2017 letter addressing this topic) and establishing assessment due dates based on this date. This means an assessment for all threats could extend beyond the seven-calendar year maximum interval without doing a CDA.

SED staff believes all threats must be assessed within seven calendar years. Extending the assessment due date is only allowable if PG&E conducts a CDA within the seventh year as spelled out in 192.939 and further clarified in FAQ #40. SED staff believes PG&E's failure to follow the requirements of 192.937(a) stems from a difference in interpretation of 192.937(a) and 192.937(c).

Please provide a plan for bringing PG&E's integrity assessments into compliance with 192.937(a) and 192.937(c) to ensure all threats are integrity assessed within the time frames specified in 192.939. In other words, all threats must be assessed for an integrity assessment to be considered complete.

#### **PG&E's Response:**

PG&E changed the Gas Transmission Integrity Management Program standard, TD-4810S, to reflect that newly identified threats in an existing HCA must be completed in 7 years unless the HCA is a newly identified area and has a baseline assessment date that is greater than the 7 years from the threat identification. This change was published on 6/19/2019 in revision 2 of TD-4810S. Below is an excerpt from TD-4810S section 8.1.2 regarding baseline assessment and threat identification intervals:

- The baseline assessment of the line pipe for newly identified covered segments must be completed within 10 years from the date the area is identified, per 49 CFR § 192.921(f).
- The assessment of a newly identified threat on the existing HCA must

be completed within 7 calendar years from the date the threat is identified, or in accordance with the baseline assessment, whichever is greater.

Additionally, as prescribed in 192.921(g), an operator must complete a baseline assessment of newly installed segments of pipe covered under this subpart within 10 years from the date the pipeline is installed.

PG&E does not believe our previous interpretation of 49 CFR § 192.921 was incorrect, but we are aligned with the CPUC's suggestion of assessing newly identified threats within 7 years. PG&E does not believe that 49 CFR § 192 Subpart O requires that all threats be assessed at the same time but will seek an interpretation from an external source per our meeting on December 22,

2020. Certain assessment methods only assess a limited number of threats. PG&E will assess multiple threats where practical but cannot ensure that all threats are assessed at the same time. However, PG&E will perform assessments for the newly identified threats in existing HCAs within 7 years pursuant to 192.939.

**SED's Conclusion:**

From paragraph two of PG&E's response, PG&E stated, "PG&E does not believe that 49 CFR § 192 Subpart O requires that all threats be assessed at the same time but will seek an interpretation from an external source per our meeting on December 22, 2020." To be clear, SED staff is not saying that all threats need to be assessed at the same time. Rather, all threats must be assessed within the 7-calendar year due date as specified in 192.937(a) and 192.937(c) unless PG&E does a Confirmatory Direct Assessment (CDA) to extend the assessment interval per the requirements of 192.939.

**February 2, 2021 Meeting with PG&E:**

Gas Safety and Reliability Branch (GRSB) staff and management wanted to discuss PG&E's response to this item in the inspection letter. During the meeting, PG&E stated that they consulted with an external source about the issue related to establishing an independent assessment due date for a newly discovered threat to pipeline integrity.

After PG&E's consultation with the external source, PG&E now agrees with GSRB's position that all threats must be assessed within the 7-calendar year assessment due date unless PG&E uses CDA to extend the due date for any new threats.

GSRB considers this issue closed but will be following up during future audits to sample compliance with 192.939 where appropriate.

## Concerns

### ***Integrity Management : High Consequence Areas (IM.HC)***

**Question Text** Does the process for identification of identified sites include the sources listed in 192.905(b) for those buildings or outside areas meeting the criteria specified by 192.903 and require the source(s) of information selected to be documented?

**References** 192.903 (192.905(b))

**Assets Covered** TIMP System Wide Audit (TIMP (HCA +))

## Issue Summary

### **CONCERN:**

This item is pending PG&E's updated process for identifying "Identified Sites." This is the result of a process discrepancy found as a result of the Lafayette Safety Task Force finding the Girl Scout Camp was not identified by PG&E to be an "identified site".

### **PG&E's Response:**

In order to comply with 49 CFR 192.903, PG&E reviews all areas within the potential impact radius (PIR) of all gas transmission pipelines annually to find structures intended for human occupancy and identified sites. Elements of this process include an annual review of all care facility licensing data, a review of aerial photography for changes to land use or structures, and several other processes defined in TD-4127P-06. This updated data is used each year to analyze the gas transmission system for changes to high consequence area (HCA) designations.

In order to comply with 49 CFR 192.905(b), PG&E manages a dynamic structures and outdoor public assembly spatial dataset ("structures database"). This dataset is updated on an ongoing basis to support the annual HCA Study. In order to ensure compliance with relevant codes and procedures each year, PG&E collects aerial photography and other remote sensing data, aerial and ground Patrol reports and data, California care facility licensing data, parcel land use data, customer connected equipment data, and other data as defined in TD-4127P-06. These data are reviewed, additional manual review and field investigation is conducted as needed, and the structures database is updated. This updated data is used each year to analyze the gas transmission system for changes to HCA designations. In addition to these data inputs and change review processes, PG&E continues an ongoing quality control (QC) review of non-residential structures and outdoor public assembly areas. This QC involves manual review of available aerial and street view imagery, online land use information such as Google and Yelp, and field investigation as needed, with the goal of reviewing non-residential sites for change over time.

Actions taken since 2019:

1. PG&E-acquired land use data ("parcel data") will be queried during the annual HCA review for the term "Scout" in order to confirm no land is being used for the purpose of Girl/Boy Scout Camp activities near PG&E gas transmission pipelines. Previously, queries were limited to Land Use type, which in the case of the Lafayette Girl Scout Camp parcel was miscategorized in publicly available data as "Farm".
2. PG&E continues to work with state and local authorities to ensure accurate identified site designations. The annual process involves the acquisition and review of licensed care facility data. Since 2019, PG&E has worked with the Department of Social Services to better understand care facility data and expand how it is leveraged to comply with 192.905.

### **SED's Conclusion:**

PG&E's response is adequate for this concern.