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April 13, 2017

Mr. Ken Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission
320 W. Fourth Street, Suite 500
Los Angeles, CA 90013

Dear Mr. Bruno:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112 Operation and Maintenance Inspection of San Diego Gas and Electric Company's (SDG&E) Measurements & Regulations (M&R) and Valve Facilities in the Eastern Transmission Region, Inspection Unit ((Miramar) on February 22-26, 2016. SED staff reviewed the Inspection Unit's M&R and valves operation and maintenance inspection records for calendar years 2013 through 2015. SED staff also reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff made five recommendations during the course of this inspection. Attached is SDG&E's response.

Please contact Troy A. Bauer at (909) 376-7208 if you have any questions or need additional information.

Sincerely,

Troy A. Bauer

CC: Mahmoud (Steve) Intably, SED/GSRB
Matthewson Epuna, SED/GSRB
Kan Wai Tong, SED/GSRB

ATTACHMENTS

Attachment 1
SED Recommendations

SDG&E's Gas Standard T8173 Pressure Relief/Pressure Limiting Devices, Testing/Inspection, Section 13.2.1 requires SDG&E's employees to take steps without delay to adjust, repair, replace or install additional devices as appropriate if a relieving device or signaling device test discloses unsafe deviations.

During the field inspection, SED's staff observed that SDG&E's employees in some instances were adjusting the set pressure and in other instances the devices were not adjusted but left without any action even when the deviations in both instances were the same. SED recommends that SDG&E review and revise its Standard T8173 to address "unsafe deviation" and set pressure tolerances/drifts for the relieving devices or signaling devices. SED recommends that SDG&E use manufacturer's recommended tolerances for adjusting the pressure relief and pressure limiting devices.

RESPONSE:

For SDG&E T8173 **Pressure Relief/ Pressure Limiting Devices Testing / Inspection Section 13.2.1 has been reviewed by the Gas Standard author and was updated as follows:**

> 13.2.1. When inspections and tests disclose positive shut off does not occur within 90% of set pressure, take steps without delay to readjust, repair, replace or install additional devices as appropriate.

SDG&E's Gas Standard T8167 Valve Inspection and Maintenance – Transmission
Section 4.8 requires SDG&E's employees to lubricate the valve only if necessary to ensure an easy operation. SED recommends that SDG&E reconcile the valve lubrication procedure and the required training in the Gas Standard T8167.

RESPONSE:

SDG&E appreciates and agrees with this recommendation. Gas Standard T8167 was reorganized and the valve lubrication procedure is discussed in Sections 1.8 and 1.9, which state:

> 1.8. Valve lubrication or flush is not mandatory, but is allowed as deemed necessary.
> 1.9. Valve lubrication is planned and scheduled based on the needs of the individual valve and the system in which it operates.

SDG&E's Gas Standard T8167 Valve Inspection and Maintenance – Transmission Section 4.5 requires SDG&E's employees if applicable, to perform an inspection of the vault. SED recommends that SDG&E reconcile the vault inspection procedure (G8159) and the required training in the Gas Standard T8167.

RESPONSE:

SDG&E appreciates and agrees with this recommendation. Section 4.5 of Gas Standard T8167 now references the vault inspection procedure in G8159. SDG&E already has a training module specifically dedicated to vault inspection and maintenance (GTT-RTB-001S), which references G8159.

SDG&E's Gas Standard T8167 Valve Inspection and Maintenance – Transmission Section 4.6 requires SDG&E's employees to partially operate the valve manually and/or pneumatically. Section 4.7 requires SDG&E's employees if the valve is equipped with a hydraulic actuator, to verify hydraulic fluid level (within manufacturer specified range). It appeared that SDG&E's standard did not address all the operating modes the valves may be subjected in the field. SED recommends that SDG&E review its valve inspection and testing procedure and apply the manufacturer's valve inspection recommendations.

RESPONSE:

SDG&E believes that we are meeting regulatory requirements to partially operate critical valves on the transmission system. SDG&E valve and maintenance procedure requires that the valve be tested to ensure that the valve is operational. At a minimum, valves are required to be operated manually, hydraulically, or pneumatically in order to comply with regulations.
As applicable, ancillary equipment attached to the valve is inspected by SDG&E and may be performed separately from the annual valve inspection.
SDG&E will review manufacturer's recommendations to ascertain if we are meeting recommended maintenance practices and that any specific maintenance requirements are addressed during initial operator training.

SDG&E's Gas Standard T8167 Valve Inspection and Maintenance-Transmission, Section 4.5 requires valve boxes found to be damaged or inaccessible to be repaired or raised as soon as possible. During the field inspection, SED's staff observed that valve number 3011-0.02-3 had a valve box (casing) that was below street grading and resulted in the accumulation of dirt and debris in the valve box. SED recommends that SDG&E take the necessary steps to ensure the valve box's deficiency is corrected.

RESPONSE:

SDG&E does not have information regarding an issue with the valve casing at 3011-0.02-3. However, during the PUC's visit, the valve casing at 3011-0.04-0 was found in the condition described above. This valve is outside the PLS enclosure. The situation was corrected on 4/18/16 on MAXIMO WO 6076038, by replacing the damaged sheet metal valve casing with a new concrete vault over the valve.