

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
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December 8, 2016



GI-2016-01-WCG34-04

Mr. Ray Czahar, CFO (RCzahar@aol.com)
West Coast Gas, Inc.
9203 Beatty Drive
Sacramento, CA 95826

SUBJECT: General Order 112 Inspection of West Coast Gas, Inc. Emergency Management Program

Dear Mr. Czahar:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission, Maria Solis conducted a General Order 112¹ and CA Public Utilities Code Sections 950, 955, 956, 956.5 inspection of West Coast Gas, Inc. (WCG) January 25 through 27, 2016. The inspection included a review of Emergency Management procedures and records for calendar year 2015. In addition, SED acknowledges that on December 7-9, 2015, SED also reviewed the October 27, 2015 West Coast Gas Emergency Plan; and that revisions were incorporated into the December 22, 2015 Emergency Plan that was audited along with relevant records during the January 25-27, 2016 audit.

A Summary of Inspection Findings (Summary), which contains areas of concerns and recommendations identified by SED staff, is included as an attachment to this letter.

Please provide a written response indicating the measures taken by WCG to address the areas of concerns and recommendations within 30 days from the date of this letter. SED looks forward to the future success of the West Coast Gas personnel as they implement their Emergency Plan to minimize the potential hazards resulting from a gas pipeline emergency. The recommendations provided will ensure prompt and effective response and recovery to emergencies.

If you have any questions, please contact Alin Podoreanu at (916) 928-2552 or by email at alin.podoreanu@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

cc: Mark Williams, WCG (mw7300@aol.com) Cynthia Morris, WCG (westgas@aol.com)

¹ General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 15-06-044.

SUMMARY OF INSPECTION FINDINGS

A. Areas of Concern and Recommendations

1. Title 49, Code of Federal Regulations (CFR) §192.605 Procedural manual for operations, maintenance, and emergencies states:

“(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. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.”

Since the audit SED has reviewed the revised Operations, Maintenance and Emergencies Procedural Manual (OME Manual); April 13, 2016 that includes Procedure 615, Emergencies. Procedure 615 within the OME Manual is labeled Emergency Plan – Castle, Mather, Herlong, revision date of March 7, 2016 (Emergency Plan). During the audit, SED reviewed the Emergency Plan, revision date of December 22, 2015. Since the audit West Coast Gas has incorporated revisions based on collaboration during the audit that are contained within the March 7, 2016 version of the Emergency Plan.

The OME Manual, General 605-A1, O&M Manual Review/Revision, includes procedures that comply with 49 CFR §192.605 (a) to prepare an emergency plan, to review and update at intervals not exceeding 15 months, but at least once each calendar year. Locations of the Emergency Plan within the main West Coast Gas Operations Office/maintenance building and field trucks on site were verified during the audit.

In addition, all standard procedures, training procedures, Emergency Plan, and Safety Plan need to be revised to reference the June 25, 2015 General Order 112-F instead of General Order 112-E.

2. Title 49 CFR §192.615 (a) states:

“Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:

(a)(1) Receiving, identifying, and classifying notices of events which require immediate response by the operator.”

SED reviewed the revised Emergency Plan for the WCG facilities, Sections titled “Receiving Emergency Notices, Identifying Emergency Notices, and Prompt and Effective Response.” Based on collaboration during the audit WCG agreed to revise the receiving and identifying forms to better demonstrate exactly what WCG personnel document when receiving and identifying notices of events which require immediate response by the operator. These

revised forms have been provided to SED since the audit and have been added to the revised Emergency Plan.

The Emergency Plan includes procedures that comply with 49 CFR §192.615 (a)(1).

“(a)(2) Establishing and maintaining adequate means of communication with appropriate fire, police, and other public officials.”

SED reviewed the Emergency Plan Figure 1 – Emergency Guidelines that includes a check list when notification of fire, police, other emergency response agencies, and State and Federal Pipeline Officials during an emergency event. In addition, the Emergency Plan states that the Operations Manager will also be dispatched to the emergency scene in order to assess the situation and take over command and control of all emergency response activities including implementing the Emergency Plan Figure 1.

WCG also revised their Emergency Telephone List to include a separate contact list for Castle, Herlong, and Mather.

The Incident Command System (ICS) is a standardized incident management structure that allows for better integration with the public sector when WCG is responding to a gas incident that includes Local, State, and Federal public agencies. SED recommends that all WCG employees take at a minimum the online ICS training through FEMA in 2017. WCG shall determine what ICS courses are appropriate for their operations during an emergency. The ICS enables a coordinated response among jurisdictions and functional agencies, both public and private during an emergency. Using the ICS will allow WCG to establish and maintain adequate means of communication with appropriate fire, police, and other public officials during an emergency event. ICS training and refresher training shall be added to the Emergency Plan within the section labeled Employee Training.

In addition, WCG’s Form 615-1: Emergency Notification Record/Activity Log directs the WCG personnel to call police, fire, and ambulance if required.

SED also recommends that the Emergency Telephone Lists, include a reporting contact phone number for the Certified Unified Program Agency (CUPA) for Sacramento/Merced/Lassen Counties.

The Emergency Plan includes procedures that comply with 49 CFR §192.615 (a)(2).

“(a)(3) Prompt and effective response to a notice of each type of emergency, including the following:

- (i) Gas detected inside or near a building.*
- (ii) Fire located near or directly involving a pipeline facility.*
- (iii) Explosion occurring near or directly involving a pipeline facility.*
- (iv) Natural disaster.”*

The Emergency Plan includes procedures that comply with 49 CFR §192.615 (a)(3).

“(a)(4) The availability of personnel, equipment, tools, and materials, as needed at the scene of an emergency.”

The revised Emergency Plan includes a revised inventory of tools and equipment for each of the three areas that WCG services including, Castle, Mather, and Herlong. In addition, OME Procedure 605-B3, Availability of Construction Records, Maps and Operating History ensures all maps and construction documents are current for WCG personnel to perform maintenance on WCG facilities.

The Emergency Plan, Related Code, Procedures, and Forms section lists Maintenance OME 723: Leakage Surveys as a related procedure that could be referenced when responding to an emergency. Procedure 723 includes a separate list of equipment and materials that could also be useful when WCG is identifying and classifying notices of events which require immediate response by the operator. In addition, Procedure 723, Responsibility section mentions the use of Health Consultants as an outside agency to oversee the every 5 year leak surveys that WCG performs.

SED recommends that OME Procedure 615, Emergency Plan, Equipment and Materials section reference Procedure 723 for the appropriate three areas (Castle, Mather, Herlong) where the equipment and materials listed in Procedure 723 are actually available. Similarly Procedure 615 should list the availability of Health Consultants during an emergency if applicable for the three areas WCG operates within. If WCG personnel is required to perform the same tasks as Health Consultants under Procedure 723 during an emergency the same equipment and materials should be available and listed under Procedure 615 for WCG personnel.

The Emergency Plan includes procedures that comply with 49 CFR §192.615 (a)(4). However, the WCG personnel should document within the Emergency Plan what contracts WCG already has in place with all qualified providers that can improve the recovery efforts during catastrophic events.

“(a)(5) Actions directed toward protecting people first and then property.”

SED reviewed the Emergency Plan and has determined that both plans include procedures that comply with 49 CFR §192.615 (a)(5).

“(a)(6) Emergency shutdown and pressure reduction in any section of the operator's pipeline system necessary to minimize hazards to life or property.”

SED reviewed OME Procedure 747, Key and Secondary Valves for Castle, Mather, and Herlong that lists isolation zones and the corresponding valves that need to be shut down for each area. In addition, SED reviewed OME Procedure 605-B5, Startup/Shutdown/Purging procedure, which describes emergency shutdown procedures for emergency events affecting the WCG facilities. Procedure 605-B5 is referenced in the Emergency Plan.

SED has determined that the procedures comply with 49 CFR §192.615 (a)(6).

SP 406 and the Emergency Plan, Section 2.5 and 2.6 were reviewed and satisfactorily meet CA Public Utilities Code, Sections 956 (c)(1) & (2).

“(a)(7) Making safe any actual or potential hazard to life or property.”

SED reviewed the Emergency Plan has determined that procedures within the Emergency Plan comply with 49 CFR §192.615 (a)(7).

“(a)(8) Notifying appropriate fire, police, and other public officials of gas pipeline emergencies and coordinating with them both planned responses and actual responses during an emergency.”

When SED reviewed the Emergency Plan and related Procedures for compliance with 49 CFR §192.615 (a)(1) and (a)(2), SED also considered 49 CFR §192.615 (a)(8). Recommendations for 49 CFR §192.615 (a)(1)&(2) apply to 49 CFR §192.615 (a)(8). In addition, compliance with 49 CFR §192.615 (a)(8) is further met by WCG holding table top and field exercises with fire, police, and other public officials which cover planned responses during an emergency annually.

Based on SED’s audit of applicable records SED has determined that procedures and liaison efforts meet the intent of 49 CFR §192.615 (a)(8).

“(a)(9) Safely restoring any service outage.”

SED reviewed the Emergency Plan section Restoration of Service that describes what WCG personnel are directed to do should loss of service occur. SED also reviewed OME Procedure 605-B5, Startup/Shutdown/Purging procedure, which describes emergency startup procedures for emergency events affecting WCG facilities. Procedure 605-B5 is also referenced in the Restoration of Service section of the Emergency Plan.

SED has determined that the procedures within the OME Manual comply with 49 CFR §192.615 (a)(9).

“(a)(10) Beginning action under §192.617, if applicable, as soon after the end of the emergency as possible.”

SED recommends that the Emergency Plan include a reference to the Employee Assistance Program (EAP) as a resource for employees to manage stress during and after major events or incidents.

SED reviewed OME Procedure 617, Investigation of Failures and the Emergency Plan, section labeled Gathering of Emergency Data and has determined that compliance with 49 CFR §192.615 (a)(10) has been met satisfactorily.

“(a)(11) Actions required to be taken by a controller during an emergency in accordance with §192.631.” This section of the code does not apply to WCG, no control room present.

“(b) Each operator shall:

(b)(1) Furnish its supervisors who are responsible for emergency action a copy of that portion of the latest edition of the emergency procedures established under paragraph (a) of this section as necessary for compliance with those procedures.”

SED reviewed the Emergency Plan and Form 615-8: Emergency Plan Log. Form 615-8 was developed after the audit based collaboration during the audit to track locations of the Emergency Plan and ensure personnel responsible for emergency action have the latest copy of the Emergency Plan.

SED has determined that compliance with 49 CFR §192.615 (b)(1) has been met satisfactorily.

“(b)(2) Train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective.”

SED addressed this section of the code for calendar year 2015 in the June 20, 2016, Safety and Enforcement Division closure letter for the General Order 112, Gas Inspection of West Coast Gas Company’s Operation & Maintenance Plan, Emergency Plan, and Public Awareness Program of West Coast Gas Company (WCG) on December 7-9, 2015.

SED’s conclusion is stated as follows: “SED recommends that no fine or penalty be imposed since the corrective action taken by WCG is satisfactory and the violation did not create any hazardous conditions for the public or utility employees. However, recurrence of the same violation in the future may result in an enforcement action.”

“(b)(3) Review employee activities to determine whether the procedures were effectively followed in each emergency.”

Based on collaboration during the audit WCG agreed to prepare after action reports after a planned or actual emergency. WCG is currently using Form 615-7A: Emergency & Safety Plan Training Evaluation as documentation of an after action report to determine whether the procedures were effectively followed. Also, WCG created Form 615-6: Employee Emergency Training - First Responder, with also includes evaluation criteria to determine if procedures were effectively followed during first responder emergency training.

The WCG personnel have also conducted field emergency response exercises that included external fire, police, and other public officials. After action reports are prepared for all exercises to evaluate whether procedures were effectively followed and if not what the corrective actions are. SED also reviewed after action reports for field exercises conducted in 2015 and 2016.

SED has determined that compliance with 49 CFR §192.615 (b)(3) has been met satisfactorily.

“(c) Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials to:

(c)(1) Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency;

(c)(2) acquaint the officials with the operator's ability in responding to a gas pipeline emergency;

(c)(3) Identify the types of gas pipeline emergencies of which the operator notifies the officials;”

SED reviewed records for all liaison activities for fire, police, and other public officials. The WCG personnel provided records for liaison activities 2015 and 2016. SED also reviewed the Emergency Plan, Emergency Liaison Program section that describes the Public Liaison Activities that will take place annually. Based on collaboration during the audit WCG developed Form 615-7: Emergency and Safety Plan Training that includes all the relevant code section necessary to be covered with fire, police, and other public officials. WCG also uses this form to document liaison activities.

In addition, during the table top or field exercises the WCG personnel learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency; they acquaint the officials with the operator’s ability in responding to a gas pipeline emergency; and they identify the types of gas pipeline emergencies of which the operator notifies the officials.

WCG has successfully liaised with Sacramento Metro Fire Department and jointly prepared an Incident Action Plan for field exercises in April of 2016. ICS forms were used to document all aspects of the exercise (e.g. ICS forms 202, 203, 205, 206, 207, 208). Participants from the Sacramento Metro Fire Department, Sacramento County Environmental Management Department, and the Sacramento County Office of Emergency Services attended the field exercises in 2016.

In addition, WCG has liaised with Merced County Fire which covers the WCG Castle service area and the County of Merced Castle Airport in 2015. Also, in 2015 WCG liaised with the Fire Chief in Herlong that represents the Federal Prison in Herlong that ties into the WCG facilities.

Finally, WCG has liaised with PG&E concerning their joint facilities. PG&E and WCG personnel conducted a field visit of WCG’s facilities and they discussed joint operations before and after an emergency incident.

SED recommends that WCG continue to meet annually with local fire departments and their individual fire fighters that have fire suppression responsibilities for Mather, Herlong, and Castle to discuss and review contingency plans for emergencies per CA Public Utilities Code Section 956.5.

SED has determined that compliance with 49 CFR §192.615 (c), (1), (2), & (3) has been met satisfactorily. In addition, the current liaison activities and future planned fire fighter exercises will further meet the intent of CA Public Utilities Code Section 956.5.

SED has also determined that compliance with CA Public Utilities Code, Sections 956 (c)(3)(A)(B)(C)(E) has been met satisfactorily.

“(c)(4) Plan how the operator and officials can engage in mutual assistance to minimize hazards to life or property.”

WCG has partnered with PG&E for the Mather and Castle facilities and WCG has established a verbal agreement with PG&E to provide each other mutual aid assistance during emergencies if needed. WCG has added PG&E to Form 615-1: Emergency Notification Record/Activity Log under the heading of Mutual Assistance Gas Operator(s) Notified: PG&E.

SED recommends that WGS continue to explore mutual assistance opportunities with public officials and first responders to minimize hazards to life or property. Collaboration opportunities include local and state Public Health Departments, City of Rancho Cordova Public Works Department, Sacramento/Merced/Lassen County Public Works Departments, and Cal OES Sacramento/Merced/Lassen local and regional representatives.

SED has determined that compliance with 49 CFR §192.615 (c)(4) has been met satisfactorily. In addition, SED has determined that compliance with CA Public Utilities Code, Section 956 (c)(3)(D) has been met satisfactorily.

SED reviewed the new CA Public Utilities Code, Section 955.5 with the operator during the audit and the WCG personnel agreed to revise their standard procedures to include the new requirements of as listed in the CA Public Utilities Code, Section 955.5.