

PUBLIC UTILITIES COMMISSION

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February 8, 2016

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

GI-2015-12-WCG34-02A & 06

SUBJECT: General Order 112¹ Gas Inspection of West Coast Gas Company

Dear Mr. Czahar:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) conducted Operation & Maintenance Plan, Emergency Plan, and Public Awareness Program inspections of West Coast Gas Company (WCG) on December 7-9, 2015.

The audit consisted of a review of procedures and policies in WCG's Operation and Maintenance (O&M) Plan, Emergency Plan (EP), and Public Awareness Program (PAP) and relevant records for the years 2013, 2014, and 2015.

WCG made changes to its plans and programs during the audit to incorporate some of the procedural and record keeping related deficiencies that SED identified. SED's findings are noted in the Summary of Inspection Findings (Summary) which is enclosed with this letter.

Within 30 days of your receipt of this letter, please provide a written response indicating the corrective actions and preventive measures taken by WCG to address the violations and observations noted in the Summary. Pursuant to Commission Resolution ALJ-274, SED staff has the authority to issue citations for each violation found during the inspection.

If you have any questions, please contact Banu Acimis at (916) 928-3826 or by email at banu.acimis@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

Enclosure: Summary of Inspection Findings

cc: Mark Williams, WCG (mw7300@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

I. Probable Violations

1. General Order No. 112-F, Public Utilities Commission of the State Of California, Rules Governing Design, Construction, Testing, Maintenance, And Operation of Utility Gas Gathering, Transmission, And Distribution Piping Systems which was issued on June 25, 2015 with Decision 15-06-044.

General Order (GO) 112-F, Subpart B – Reports, 122 Gas Incident Reports, 122.2 Requirements for reporting to the CPUC describes the CPUC’s reportable incident criteria, reporting instructions along with the reporting timeline during and outside normal business hours.

SED reviewed WCG’s EP and noted that WCG’s EP does not have the Reportable Incident Criteria of CPUC GO 112-F since the reporting and notification section of WCG’s EP procedures only list DOT as the agency to notify for gas incidents.

In addition to the DOT reportable incident criteria, WCG must also include the CPUC Reportable Incident Criteria and incident reporting instructions in its EP for gas incidents that are caused by release of gas along with the allowed time to report such incidents to the CPUC during and outside normal business hours. WCG must also list CPUC’s reportable incident phone numbers to its Emergency Notification List.

WCG must notify SED of CPUC of any reportable gas incidents as required by CPUC’s GO 112-F and use Report of Gas Leak or Interruption Form, CPUC File No. 420 which is given in Appendix B of GO 112-F.

2. Title 49, Code of Federal Regulations (CFR), §192.615 Emergency plans.

§192.615 states in part:

“(b) Each operator shall:

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

SED identified that WCG did not keep training records of its personnel to document that they are knowledgeable of the emergency procedures.

WCG conducted a tabletop exercise shortly after SED brought up this deficiency to WCG’s attention for its employees located in Sacramento. WCG must also conduct the same training for its emergency response employees responsible for Castle and Herlong pipeline systems.

WCG must conduct Emergency Response training of all personnel who are responsible for responding to emergencies for all WCG’s gas pipeline systems as it is a requirement of §192.615 (b) as well as WCG’s EP and keep annual training exercises. SED also noted that WCG can use hypothetical scenarios or previous emergency events that occurred in WCG’s system by

discussing and critiquing actions taken. WCG must also identify lessons learned in order to improve the effectiveness of its emergency response.

Please provide SED with the most current emergency training records of all employees responsible for responding to emergencies in Mather, Castle, and Herlong systems.

II. Areas of Concern/ Observations/ Recommendations

1. SED reviewed WCG maps and noted that some of WCG's maps are either not up-to-date or do not show sufficient details of the buried pipeline; therefore, they are required to be revised to show details of the type & dimension, exact location of the underground gas pipeline systems, and other details. SED also noted that this is particularly important to have accurate maps to show WCG's underground pipeline and other assets on the maps to be used for locate and mark activities, excavations, leak survey, and other operation and maintenance activities.

During the inspection, WCG informed SED that it is in the process of updating and/or recreating some of its maps for all its service territory.

Please inform SED when WCG will finalize revising its pipeline maps for all of WCG's systems and notify SED when they are completed.

2. SED reviewed WCG's O&M Plan and noted that WCG has been calibrating all its equipment according to manufacturers' instructions and recommendations. However, SED found that WCG calibrates its pressure gauges only in-house by using the existing pressure gauges located in the yard. SED recommended that the reference pressure gauge which is used to calibrate other pressure gauges, needs to be calibrated and certified by the manufacturer annually.

After this discussion, WCG made necessary changes in its O&M Plan and ordered a certified pressure gauge from the manufacturer to calibrate all pressure gauges that WCG uses in the field. WCG also decided to order a brand new pressure gauge every year that is calibrated and certified by the manufacturer to be used as the reference pressure gauge to calibrate the other pressure gauges.

Please provide SED with the name, model, and certification information of the reference pressure gauge when WCG receives it and please provide most recent calibration records of all the pressure gauges when they are completed.

3. SED reviewed WCG's EP and noted the following deficiencies:

WCG's EP does not have a list of emergency equipment that it currently possesses or what equipment WCG will be contracted to be used during emergencies.

WCG must identify the list of currently available emergency equipment and other equipment that will be contracted for in its EP.

4. Public Awareness Program (PAP)
SED reviewed WCG's PAP and noted the following:

- WCG developed and implemented a written continuing public information program as per §192.616 requirements.
- WCG also follows the American Petroleum Institute's (API), Recommended Practice (RP) 1162 Program Recommendations.
- WCG provides information to its customers, contractors, excavators, schools, churches, Underground Safety Alert, Emergency Officials, and Public Officials.
- WCG provides public awareness information to its customers by bill stuffers.
- WCG's Public Awareness Message (PAM) topics are given below:

Call Before You Dig
Carbon Monoxide
Natural Gas Emergencies in Your Home- Dos and Don'ts
Gas Appliance Safety
Gas Leak Indicators
Gas Odor & Appliance Leaks
Customer Owned Service Lines

- SED reviewed the public awareness information and noted that since subjects are divided into groups and provided to the customers separately as bill stuffers throughout the year, customers will benefit more if the essential information is consolidated and sent to customers as a separate letter twice a year.
- WCG also provided "Sniff Cards" to all its customers which can be scratched to release an odor similar natural gas odor to educate them on how to recognize the gas leak.
- SED found these cards very effective to make public aware of potential danger of possible gas leak by recognizing the gas odor and contacting WCG and other emergency officials to prevent any incidents.
- During the inspection, SED recommended that WCG provide the important pipeline safety, damage prevention, emergency response, emergency contact, and general pipeline awareness messages to all Stakeholder audience listed above by mailing letters and/or meeting with them personally if applicable.
- In 2014, WCG sent out program evaluation feedback cards to its customers to obtain information on how effective its Public Awareness Messages that were sent to the customers as part of their bills throughout the year.
- The results showed that only 15% of the customers comprehended the messages out of the 22% who responded to the survey.
- SED and WCG reviewed the questions on the survey and determined that another evaluation is necessary since WCG will start mailing separate letters to its customers and all other stakeholders and conduct another evaluation within a year.

- The new survey card will have a comments section to give an opportunity to the customers and other stakeholders to provide their feedback on the evaluation cards.
- WCG also needs to evaluate the effectiveness of its Public Awareness Program once a year not to exceed 15 months and make changes if necessary.

SED determined that WCG must do the following:

4.1 WCG must provide essential public awareness information to its customers including schools, churches, and hospitals twice a year by mailing letters which provide information about the following subjects:

- Pipeline purpose and reliability
- Awareness of hazards and prevention measures
- Damage Prevention Awareness
- Leak Recognition and Response
- How to get additional information

Please provide SED with a copy of the PAM that is mailed to all WCG customers twice a year along with distribution records for each of WCG's gas distribution pipeline system.

4.2 WCG must provide the essential public awareness information to Emergency Officials, once a year and Local Public Officials once in three years on the following subjects:

- Pipeline purpose and reliability
- Awareness of hazards and prevention measures
- Damage Prevention Awareness
- Leak Recognition and Response
- How to get additional information
- Emergency Preparedness Communications

WCG can mail the message or have group meetings with Local Public and Emergency Officials and keep relevant records such as addresses sent and/or meeting attendance list along with topics discussed during the meeting.

4.3 WCG must provide the essential public awareness information to Excavators and One-Call Centers once a year on the following subjects:

- Pipeline location information
- Pipeline purpose and reliability
- Awareness of hazards and prevention measures
- Damage Prevention Awareness
- Leak Recognition and Response
- One-call requirements
- How to get additional information

WCG can conduct group meetings or one-call center outreach once a year and should keep related records.

4.4 WCG must document the message type and content, and delivery method and frequency for each stakeholder audience.

- 4.5 WCG must identify, document, and make necessary changes to its PAP based on the results and findings of its annual internal audit of program assessment.
- 4.6 WCG must conduct another effectiveness evaluation of its PAP and document the method used to perform the evaluation after WCG sends the new PAM based on SED's recommendations.
- 4.7 WCG must document actual PAP outreach for each stakeholder and systems covered by its program.
- 4.8 WCG must make necessary changes to improve its PAP after it obtains the feedback from the stakeholders and it must also document its PAP evaluation results to improve the effectiveness.