

PUBLIC UTILITIES COMMISSION

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January 12, 2018

Mathieu Fournier, VP of Eng/Ops (Mathieu.Fournier@niskapartners.com) GI-2017-12-WGS36-01C, 03, 06, 07, & 10
Niska Gas Storage Partners LLC
400, 607 – 8th Avenue S.W.
Calgary, Alberta, Canada T2P 0A7

SUBJECT: General Order 112-F Gas Inspection of Wild Goose Storage

Dear Mr. Fournier:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted an inspection of Wild Goose Storage (WGS) on December 11 through December 15, 2017. The inspection included a review of the Operation and Maintenance Plan (O&M), the Drug and Alcohol Misuse Policy (D&A), the Control Room Management Plan (CRM), the Operator Qualification Plan (OQ), and certain maintenance records, including: leak survey records, patrolling records, operator qualification, and exposed pipe inspection records for the period of January 1, 2014 through December 31, 2016. SED performed a field inspection of a representative sample of WGS facilities.

SED's findings are noted in the Summary of Inspection Findings (Summary) which contains probable violations and areas of concerns, recommendations, and observations.

Within 30 days of your receipt of this letter, please provide a written response indicating the corrective actions and preventive measures taken by WGS to address the violations and observations noted in the Summary.

If you have any questions, please contact Jason McMillan at (916) 928-2271 or by email at jason.mcmillan@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: Aimee Cauguiran, CPUC / SED
Kelly Dolcini, CPUC / SED
Pat Baynard, WGS (Patrick.Baynard@niskapartners.com)
Gary Theberge, WGS (Gary.Theberge@niskapartners.com)

SUMMARY OF INSPECTION FINDINGS

I. Probable Violations

1. U.S. Department of Transportation Title 49, Code of Federal Regulations (CFR), §192.631(a)(2) states in part:

The procedures required by this section must be integrated, as appropriate, with operating and emergency procedures required by §§192.605 and 192.615. An operator must develop the procedures no later than August 1, 2011, and must implement the procedures according to the following schedule. The procedures required by paragraphs (b), (c)(5), (d)(2) and (d)(3), (f) and (g) of this section must be implemented no later than October 1, 2011. The procedures required by paragraphs (c)(1) through (4), (d)(1), (d)(4), and (e) must be implemented no later than August 1, 2012. The training procedures required by paragraph (h) must be implemented no later than August 1, 2012, except that any training required by another paragraph of this section must be implemented no later than the deadline for that paragraph.

During the inspection, WGS was unable to provide any evidence that their Control Room Management procedures were implemented earlier than January 2012. SED determined that since the procedures required by paragraphs (b), (c)(5), (d)(2) and (d)(3), (f) and (g) of Title 49 CFR §192.631 were implemented later than October 1, 2011 WGS violated Title 49 CFR §192.631(a)(2).

2. U.S. Department of Transportation Title 49, Code of Federal Regulations (CFR), §192.605(a) states in part:

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.

WGS was unable to produce any record that the CRM Plan was reviewed and updated annually. SED explained that since the CRM requirements are part of Title 49 CFR §192 Subpart L, the CRM procedures are included within the Operations and Maintenance Procedures, as specified by §192.605(b)(1):

The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations....Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and subpart M of this part.

WGS had not reviewed the CRM plan annually, and therefore WGS violated Title 49 CFR §192.605(a).

3. U.S. Department of Transportation Title 49, Code of Federal Regulations (CFR), §192.631(e) states in part:

Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms.

At the time of the inspection, WGS does not have a written alarm management plan, and is in violation of Title 49 CFR §192.631(e). SED recognizes that WGS is drafting one currently, and is requesting the final version once it becomes available.

II. Areas of Concern/ Observations/ Recommendations

1. During SED's inspection of WGS, SED discovered that many of the qualified personnel at WGS had experienced lapses of several of their Operator Qualification Certifications. The length of the qualification lapses range from 10 days to eleven months. SED inspected further records to ensure that personnel who had lapsed qualifications did not perform covered tasks, and did not find any instances where operators performed covered tasks without a qualified individual present. SED recommends that WGS develop a system to ensure that requalification for covered tasks occur before certifications expire.
2. SED found that refresher fatigue education (mitigation strategies) and training (recognize the effects of fatigue) were not provided to the controllers and supervisors at regular intervals. Since fatigue is a constant risk in an operation that requires vigilance, SED recommends that WGS provide refresher fatigue education at regular intervals (typically once each calendar year, not to exceed 15 months).
3. SED found that the effectiveness of the fatigue education (mitigation strategies) and training (recognize the effects of fatigue) were not reviewed at regular intervals. SED believes that reviewing the effectiveness of any training is essential to ensure safe and efficient operations, and recommends that WGS develop and implement methods to review the effectiveness of fatigue education and training at regular intervals (typically once each calendar year, not to exceed 15 months).