

**From:** Acimis, Banu  
**Sent:** Monday, March 03, 2014 7:36 AM  
**To:** Rczahar; westgas@aol.com  
**Cc:** Lee, Dennis M.; Robertson, Michael; Podoreanu, Alin; Intably, Mahmoud; Ali, Molla Mohammad; Solis, Maria; Acimis, Banu  
**Subject:** Outstanding violations identified in WCG gas safety audit

**Categories:** Red Category

Mr. Rzchar:

We reviewed WCG's gas pipeline safety audit response letter dated January 15, 2014 and its attachments responding to the violations SED identified for deficient WCG's Operation and Maintenance Plan procedures and all other unsatisfactory operations and maintenance activities and corresponding records for its gas pipeline system.

SED further evaluated WCG's updated O&M Plan and other commitments listed its response and determined that WCG's corrective and preventive actions for the violations listed in SED's audit report are unsatisfactory; therefore, WCG must take further actions by revising its O&M Plan and providing records listed below in order to demonstrate the compliance of the federal and state gas pipeline safety rules and regulations.

Please provide your responses to the items in the order listed below no later than March 24, 2014 so that SED will evaluate the compliance of the outstanding violations and finalize the citation process.

**List of documents, records, and other procedural deficiencies that WCG is required to provide is as follows:**

1. WCG needs to submit records to demonstrate that it has reviewed and updated its Quality Management and Operating and Maintenance Program (O&M Plan) in 2009, 2010, 2011, and 2012. Please submit review records showing date, person reviewed, any changes made to WCG's O&M Plan after the review for each year.
2. WCG needs to submit the following records and include them in the O&M Plan:
  - a. Type of leak detection equipment that Heath Consultants use for leak survey and leak grading
  - b. Forms that Heath Consultants use for leak survey and to record discovered leaks.

WCG should also include the type of leak survey and grading equipment and sample copies of leak survey, leak detection forms that Heath Consultant will fill out in its O&M Plan.

3. WCG needs to provide an updated version of the gas leak repair report to demonstrate that the deficiencies and changes identified in SED's report are incorporated into the new gas leak repair and monitor report.

Additionally, WCG should include a sample copy of this form into its O&M Plan.

4. WCG added Part T in its O&M Plan about calibration; however, it did not fully respond to all deficiencies that SED identified.

WCG needs to do the following;

- a. List all equipment used by WCG in its operation & maintenance activities. Update the list to show only currently used equipment. For example, as stated in WCG's response, WCG replaced FI unit with a new gas leak survey equipment, DP-IR. Therefore, FI unit is not currently being used. The list in Part T has been taken from SED's audit letter which was given as an example; therefore, it needs to be revised to show the equipments that WCG currently uses.

- b. Develop forms for the calibration of each equipment and attach to the revised O&M plan (Part T),

- c. Describe the calibration frequency of each equipment in its O&M Plan,

- d. Provide most recent calibration records performed for all equipment used by WCG in its operation & maintenance activities.

5. WCG needs to add a procedure for the examination of exposed buried pipeline for evidence for external corrosion in its O&M Plan. WCG audit response letter states that the procedure was added to Part F; however, the revised O&M Plan did not have the procedure.

6. SED determined that WCG does not have a procedure that specifies the external corrosion control protective coating requirements as required under CFR, §192.461 which describes the protective coating specifications, inspection requirements prior to installation of buried pipe, and protection requirements from damage for buried pipe. WCG stated that coating and wrapping procedures added to part D. But Part D of O&M Plan does not contain such procedures.

WCG must include a procedure to describe the specification, inspection, and protection of protective coating requirements from damage resulting from conditions and supporting blocks that adversely affect buried pipe in its O&M Plan.

7. SED noted that WCG must establish a procedure that specifies how to inspect its rectifiers to ensure that they are operating properly and to verify that they are providing adequate levels of external corrosion protection for its buried steel gas distribution pipeline systems located at Mather and Castle. WCG stated that it included the relevant procedures in Appendices D & E.

Based on the rectifier maintenance procedures that WCG included in its O&M Plan, please provide records of most recent maintenance conducted for all rectifiers located in Mather and Castle systems. WCG must also specify the frequency of the rectifier maintenance performed each year for its rectifiers in Mather and Castle systems.

8. Page 36 of Part K of WCG's O&M Plan states "In addition, WCG will perform an instantaneous on/off IR Drop test at least once each year". However, SED neither found any records for annual instant IR Drop tests conducted after 2009 nor did SED find the procedure which describes how to perform the instantaneous on/off IR Drop test.

WCG must include a procedure in its O&M Plan to describe how to perform instantaneous on/off IR drop test. Since WCG's O&M Plan states that the test is performed annually, WCG must follow its plan to perform the test and keep records accordingly. WCG must also train its personnel who are in charge of inspecting rectifiers and performing IR drop tests.

WCG should include the procedure to perform instantaneous on/off IR drop test in its O&M Plan and provide SED with the most recent records conducted for its entire CP system and training records for its personnel.

9. SED noted that WCG must demonstrate that the natural gas that it transports to its distribution system is not corrosive. WCG must obtain gas quality characteristics from PG&E. WCG stated that WCG has in the past and again has sent PG&E the following request for both an attestation on the corrosive quality of the gas delivered by PG&E and the amount of odorization contained in the gas delivered to Mather and Castle. WCG provided copies of the letters dated Jan. 9, 2014 that it sent to PG&E.

However, WCG did not provide PG&E's responses. WCG should obtain gas quality characteristics from PG&E and submit to SED by March 24, 2014.

10. SED noted that WCG did not record any recheck information for the Grade 3 leak discovered on 4/21/10 by WCG at C Street, North corner of C Street and Aviation, in Castle. WCG stated completed the repair and has changed the GLRR form to monitor all leaks. See attached as a pdf file: GLRR North Corner of C & Aviation. However, WCG did not provide the repair record for this leak.

WCG should provide a copy of the gas leak repair record for the leak discovered at North corner of C and Aviation in Castle.

11. SED determined that WCG completed the initial atmospheric corrosion control monitoring survey in 2009; however, it did not properly document atmospheric corrosion control survey findings and remedial actions taken for the deficiencies identified in its system within 3 years, not exceeding 39 months after the initial survey.

SED noted that WCG must conduct an atmospheric corrosion control survey of its pipeline system exposed to the atmosphere once every 3 years and maintain records showing survey date, findings, and remedial actions taken for any deficiencies identified.

SED asked WCG to provide a status report within 30 days of this letter dated November 4, 2013 and provide records to demonstrate that WCG completed the atmospheric corrosion control survey and documented findings properly. Please inform SED upon completion of all atmospheric corrosion related corrective actions. WCG stated that "WCG has made copies of the records and has attached them to this response as a pdf file: Atmos Corrosion Control". However, WCG did not provide any records to demonstrate the compliance with this violation. WCG should provide all relevant atmospheric corrosion records to show compliance.

12. SED identified that WCG did not document and monitor open Grade 2 and Grade 3 leaks. WCG must revise its gas leak repair reports (GLRR) to capture the recheck

information for the pending leaks. WCG stated that WCG has changed the GLRR form to incorporate the rechecks on the open leaks and will record new data on that sheet. However, WCG did not provide any forms.

WCG should provide a copy of the modified version of the GLRR to show that it incorporated the recheck information on the forms.

13. WCG needs to provide a status report within 30 days of this notification and provide records to demonstrate that WCG completed the atmospheric corrosion control survey and documented findings properly. Please inform SED upon completion of all atmospheric corrosion related corrective actions.
14. Please provide a copy of the letters sent to PG&E in 2012 and 2013 or last two letters requesting to verify the odorant levels of the gas supplied to WCG at both Mather and Castle to meet the requirements of 192.625 (f)(1) and PG&E's written verification to ensure that PG&E's gas supplied to WCG has the proper concentration of odorant.
15. SED found that WCG failed to perform annual maintenance of Housing-Capehart regulation station in 2010, 2011 and 2012. In its response WCG indicated that WCG performed required inspections were performed in 2013 as shown in pdf file:cape Reg Station Maint. attached. However, WCG did not provide any records.

Please provide a copy of the regulator station maintenance records performed in 2013. If there are other maintenance records performed after 2009, please provide those records, as well.

Thank you,

**Banu Acimis, P.E.**  
Senior Utilities Engineer  
California Public Utilities Commission  
Gas Safety & Reliability Branch  
Phone: (916) 928-3826  
Fax: (916) 928-6880

**Please consider the environment before printing this email or its attachment.**

**From:** Acimis, Banu  
**Sent:** Friday, January 17, 2014 12:19 PM  
**To:** Rczahar; [westgas@aol.com](mailto:westgas@aol.com)  
**Cc:** Lee, Dennis M.; Robertson, Michael; Podoreanu, Alin; Intably, Mahmoud; Ali, Molla Mohammad; Acimis, Banu  
**Subject:** RE: note from ray czahar, west coast gas company

Mr. Rczahar:

I reviewed WCG's response letter and noticed that WCG did not include any response to the findings related to Part 199, Drug & Alcohol.

WCG also stated:

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Finally, we do not provide a direct, item by item response to SEC critique of WCG's Public Awareness Program, Operator Qualifications Program and Integrity Management Program because **we agree with most if not all of the SED's criticisms and recommendations**. In line with our required annual review of these three programs, we will be revising these programs in April, 2014 and will send the revised reports to you when completed.

1. In order to process your response to each item listed in SED's letter, WCG is required to respond to the deficiencies that SED identified during the audit. Therefore, please send your responses to the items under PAP, OQ, DIMP, and Drug & Alcohol to inform us whether or not WCG agrees with the findings by January 31, 2014.
2. If WCG wants to demonstrate the compliance of pending items mentioned in its response letter dated January 15, 2014, such as O&M&E Manual annual review log, most recent regulator station maintenance records, OQ records of personnel (eg., Emergency response training for Castle personnel), calibration records of equipment, external, internal, and atmospheric corrosion records etc., WCG must provide all records and documentation to the CPUC by January 31, 2014.
3. Additionally, WCG cover letter indicates that WCG is in the process of updating the following manuals and will provide those in April:  
PAP  
OQ  
DIMP

If WCG wants to address all necessary changes in the affected manuals and plans and present it to SED before citation process is complete, WCG needs to provide all manuals, programs, and plans to SED no later than April 25, 2014. This is to let you know that this is the second time extension granted for additional 3 months.

If you have any questions, please contact me.

Thanks,

*Banu Acimis*  
Utilities Engineer  
Gas Safety & Reliability Branch  
916-928-3826

**From:** Rczahar [<mailto:rczahar@aol.com>]  
**Sent:** Friday, January 17, 2014 10:02 AM  
**To:** Acimis, Banu  
**Subject:** Re: note from ray czahar, west coast gas company

Apparently that's what happened on Wednesday. I just now received an error message that the PUC server will not accept e-mail because of its size.. This was in response to what I just sent you. I did not receive any error message from the PUC on Wednesday.

Therefore, I converted the word files to pdf files. Hopefully, it will work. Just in case, please let me know that the files came through.

Ray

-----Original Message-----

From: Acimis, Banu <[banu.acimis@cpuc.ca.gov](mailto:banu.acimis@cpuc.ca.gov)>

To: Rczahar <[rczahar@aol.com](mailto:rczahar@aol.com)>

Sent: Fri, Jan 17, 2014 9:41 am

Subject: RE: note from ray czahar, west coast gas company

No, I did not receive anything. Please make sure that the file is not bigger than 6 MB. If it is, you can split it in two files.

## Banu Acimis

Utilities Engineer

Gas Safety & Reliability Branch

916-928-3826

**From:** Rczahar [<mailto:rczahar@aol.com>]

**Sent:** Friday, January 17, 2014 9:39 AM

**To:** Acimis, Banu

**Subject:** note from ray czahar, west coast gas company

Ms. Banu Acimis

I just sent you the original first email that was sent to you on Wednesday. Please let me know that you have received it.

Thanks

Ray