

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 27, 2022

GI-2022-03-PGE-29-09

Ms. Janisse Quinones
Senior Vice President, Gas Engineering
6121 Bollinger Canyon Road
San Ramon, CA 94583

SUBJECT: General Order (GO) 112-F Gas Inspection of PG&E's Distribution Integrity Management Program (DIMP) – Follow up and review of sample DIMP Projects

Dear Ms. Quinones:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Pacific Gas & Electric Company's (PG&E) Distribution Integrity Management Program (DIMP) which entailed follow-up and review of sample DIMP projects. The inspection took place between March 7-11, 2022.

SED's findings are noted in the Summary of Inspection Findings (Summary) which is enclosed with this letter. The Summary reflects only those particular records that SED inspected during the inspection. SED discovered two concerns during the inspection.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by PG&E to address the concerns noted in the Summary.

If you have any questions, please contact Sikandar Khatri at (415) 703-2565 or by email at Sikandar.Khatri@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Terence Eng".

Terence Eng, P.E.
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

Enclosure: Summary of Inspection Findings

cc: Susie Richmond, PG&E
Dennis Lee, SED
Claudia Almengor, SED

Summary of Inspection Findings

Dates of Inspection: March 7-11, 2022

Operator: PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Inspection Systems: Distribution

Assets (Unit IDs) with results in this report: Main Office (Specialized Inspections) (86283)

System Type: GD

Inspection Name: PG&E DIMP (Distribution Integrity Management Program) Inspection - 2022

Lead Inspector: Sikandar Khatri

Operator Representative: Paul Camarena

Unsatisfactory Results

No Preliminary Findings.

Concerns

Gas Distribution Integrity Management : Identify Threats (GDIM.TH)

Question Title, ID Identify Threats - Threats Considered, GDIM.RA.THREATCATEGORIES.P

Question 4. In identifying threats, do the procedures include consideration of all of the required threat categories to each gas distribution pipeline?

References 192.1007(b)

Assets Covered Main Office (Specialized Inspections) (86283 (29))

Issue Summary SED discussed with PG&E the cybersecurity aspect of its distribution gas system. PG&E stated that its Gas Risk Management (Enterprise Risk Management group) evaluated the risk of cyber-attack on the "Loss of Containment on Gas Distribution Main or Service" (LOCDM) enterprise risk model. The conclusion was that a cyber-attack is not a risk driver, meaning it cannot cause a loss of containment event (major or minor leak), and it cannot significantly amplify the consequence for a loss of containment event on the gas distribution system.

PG&E also apprised SED that TSA (Transportation Security Administration) has tentatively scheduled an on-site inspection for PG&E on June 21, 2022. It is not expected that this inspection includes gas distribution systems.

SED recommends that PG&E's DIMP (Distribution Integrity Management Program) team evaluate cybersecurity as a potential threat for its distribution gas system. Furthermore, SED recommends that PG&E's DIMP team should complete a cybersecurity assessment of PG&E's gas distribution system to identify potential gaps or vulnerabilities in the system such as loss of service, loss of data, effect of cyber-attack on its transmission system etc. In addition, SED recommends PG&E designate a DIMP coordinator/Subject Matter Expert (SME) to serve on various teams of PG&E who work on cybersecurity threats and participate in the upcoming TSA field inspection.

Gas Distribution Integrity Management : Preventive and Mitigative Actions (GDIM.PM)

Question Title, ID Measures to Reduce Risk - Identification, GDIM.PM.IDENTIFYMEASURES.P

Question 1. Does the plan include procedures to identify when measures, beyond minimum code requirements specified outside of Part 192 Subpart P, are required to reduce risk?

References 192.1007(d)

Assets Covered Main Office (Specialized Inspections) (86283 (29))

Issue Summary PG&E's Distribution Integrity Management Program (DIMP) team identifies threats to its distribution gas system and the affected areas. The Mitigation Activities are developed by the PG&E's DIMP team, the projects are created to address each identified risk/threat and these projects are implemented for risk reduction. At the completion of projects, these projects go through the 'measurement in progress' phase.

It is SED's understanding that PG&E's DIMP has no set criteria for certain projects to be designated as satisfactorily completed. For example, for project (2012-06 7001654 Tee Cap Unit Verification: Sacramento) completed on 07/16/2019, a number of addresses had comments such as inaccessible, no access to backyard, not located, new driveway, new patch etc. PG&E could not provide follow up information on how many attempts were made for inaccessible locations (or notes explaining what caused it to be inaccessible), or what percentage of missing locations are acceptable etc. for considering a project as 'closed'.

SED recommends that PG&E should set acceptance criteria for completion of DIMP projects, where appropriate.