

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 29, 2016

GI-2015-10-PGE17-02A

Mr. Sumeet Singh, Vice President  
Pacific Gas and Electric Company  
Gas Asset and Risk Management  
6111 Bollinger Canyon Road, Room 4590-D  
San Ramon, CA 94583

SUBJECT: General Order 112 Gas Inspection of PG&E's Stockton Division

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112 inspection of Pacific Gas & Electric (PG&E) Company's Stockton Division (Division) from October 5-9, 2015.<sup>1</sup> The inspection included a review of the Division's operation and maintenance records for corrosion control for the years 2013 and 2014, as well as a representative field sample of the Division's facilities in the cities of Stockton, Tracy, Lodi, Manteca, Lathrop, French Camp, Jackson, Suttercreek, Lockford and San Andreas. SED staff also reviewed the Division's operator qualification records, which included field observation of randomly selected individuals performing covered tasks.

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 and pipeline facilities that SED inspected during the audit.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by PG&E 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 Sikandar Khatri at (415) 703-2565 or by email at [Sikandar.Khatri@cpuc.ca.gov](mailto:Sikandar.Khatri@cpuc.ca.gov).

Sincerely,

Kenneth Bruno - Program Manager  
Safety and Enforcement Division

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Enclosure: Summary of Inspection Findings

cc: Larry Berg, PG&E Gas Regulatory Support  
Larry Deniston, PG&E Gas Regulatory Support  
Mike Falk, PG&E

<sup>1</sup> 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

#### A. PG&E's Internal Audit Findings

Prior to the start of inspection, PG&E provided SED its finding from the internal review it conducted of Stockton Division (Division). Some of PG&E's internal review findings are violations of PG&E's standards, and are therefore violations of Title 49 Code of Federal Regulations (CFR), §192.13(c) or §192.605(a). SED is aware that PG&E corrected some of its findings prior to SED's inspection. For those items not corrected prior to the inspection, please provide an update on PG&E's progress to complete the corrective actions.

Table 1 lists all of the corrosion related violations from PG&E's internal review.

**Table 1:** PG&E's Internal Review

<b>Code Section</b>	<b>Asset Type</b>	<b>Year: # of Non-Compliance(s)</b>	<b>Finding Description</b>	<b>Corrective Action</b>	<b>Remediation Date</b>
192.605 (a)	Bimonthly/ Yearly/ Annual	2014: 44	Missing/Late/Incomplete Action Plans	Found during recent deep dive document comparison review. Begin utilizing compliance report to track pending maintenance and document progress in more timely manner	10/31/2015 and 12/31/2015
		2013: 55 2013: 12	Missed mandatory maintenance		
192.605 (a)	10%ers	2013	Less than 10% of isolated sections monitored	Found during recent deep dive document comparison review. Begin utilizing compliance report to track pending maintenance and document progress in more timely manner	10/31/2015 and 12/31/2015
		2013:3	Action Plan not filled out for restoration exceeding 30 days		

192.605 (a)	Exposed Spans	2015: 5	Late inspections, exceeding 39 months	Found during recent deep dive document comparison review. Begin utilizing compliance report to track pending maintenance and document progress in more timely manner	10/31/2015 and 12/31/2015
		2014:2			
		2013:30			
		2013:3	Missed maintenance (no inspection)		
192.605(a)	Leak Survey	2014:3	3 CPAs - Unprotected main not on 3 Year Leak Survey	Submit to Division Mapping to add to 3 Year Leak Survey	10/05/2015

## B. SED Findings

### 1. Title 49 CFR §192.605 states in part:

(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...*”

(b) *Maintenance and normal operations.*

*The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.*

*(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part...*”

#### **1.1 Corrosion Control Records**

Title 49 Code of Federal Regulations §192.491(a) states that:

*“Each operator shall maintain records or maps to show the location of cathodically protected piping, cathodic protection facilities, galvanic anodes, and neighboring Structures bonded to the cathodic protection system. Record or maps showing a stated Number of anodes, installed in a stated manner or spacing, need not show specific Distances to each buried anode.”*

- (a) SED staff reviewed the records of CPA area 2818-1, which is a galvanic system. The records did not have details and locations of installed anodes.
- (b) There is an isolated section (a steel riser) on map of CPA area 3004-7. No reads were available. On inquiry, PG&E staff mentioned that it is monitored as the location 1194 Fresno Avenue, for which the records were available. However, the correct address should be 1404 Fresno Avenue. Hence, PG&E did not keep accurate records. Please make changes, as necessary, and provide a copy of the corrected record and recent pipe-to-soil read.
- (c) PG&E in its Statistical Report indicated presence of 0.05 miles of bare steel transmission line. To an inquiry by SED staff, PG&E stated that probably there is no bare steel present, it might have come from “Bill of Material”. Later PG&E in its email dated 12/21/2015 has confirmed that the steel is coated as per Gas Standards, E-30 and E-35, and a Corrective Action Plan (CAP) has been created to update information in Pipeline Feature List (PFL). Please provide a copy of the updated record. Please also provide information about procedures used for monitoring this, and the relevant record.

#### **1.2. Meter locations**

Title 49 Code of Federal Regulations §192.353 (a) states that:

*“Each meter and service regulator, whether inside or outside a building, must be installed in a readily accessible location and be protected from corrosion and other*

*damage, including, if installed outside a building, vehicular damage that may be anticipated ...”*

SED staff during field visit observed that:

- (a) The meter set at 15124 5<sup>th</sup> St. needed protection against vehicular damage.
- (b) The meter set at 211 Anita St., Jackson was not located in an easily accessible position, and therefore would be difficult to access in case of emergencies.

## II. Areas of Concern/ Observations/ Recommendations

### 1. CP criteria not met– field visit

SED during field visit found that the following locations had low Pipe-to-Soil (P/S) values and some other issues as mentioned. After the audit, PG&E through emails have provided an update on measures taken to address the findings. Please provide a summary of measures taken and update on the pending items.

Address	Read Type	Field P/S Reading (mV) and comments
177 Colin Avenue, Tracy	Annual	-771 mV
9310 Lorraine, Tracy	Annual	-845 mV
818 S. Hunter St., Stockton	Annual	-269 mV, also meter touching the ground
7070 Harlan Road, French Camp	Bimonthly	-550 mV
550 W. Howard St., Stockton	Bimonthly	-546 mV
2445 W. Oxford Way, Lodi	Bimonthly	-583 mV
320 Alma Ave., Jackson	10%er	-811 mV
645 N. HWY 49, Jackson	10%er	Read -0.085 mV. On anode, the read was -836 mV
241 Pope St., San Andreas	10%er	-893 mV
410 Alice St, Stockton	10%er	-796 mV
15124 5 <sup>th</sup> St., Lathrop		-139 MV

2. SED staff visited the location of casing for L-162A at Von Sosten and Hansen, Tracy. The casing could not be located. PG&E through email has informed that casing could not be located in field; hence, it will be monitored as a casing without leads. Please verify the status, and provide update, if any.
3. During field visit, SED staff found low reads for the casing for L-197B at Woodbridge and Devries. The casing-to-soil read was -215 mV and Pipe-to-soil read was -712 mV. SED staff also observed wires in ETS were projecting outward and visible on ground surface, hence creating unsafe condition. PG&E in email has indicated that work is in progress to address these issues. Please provide an update.
4. SED staff observed exposed section X61 located at 85 Main Street s/o Pope Street, San Andreas. The pipe condition was good; however, no markers were present at the site. SED staff brought this to the attention of PG&E staff who placed markers at the site.
5. SED reviewed Atmospheric Corrosion (AC) records for meter sets. It was observed that in addition to monitoring atmospheric corrosion, the PG&E/contractor staff provides additional information in the form of comments. SED staff made following observations:
  - (i) A buried riser was reported at 808 Flower Street, Stockton during 2014 AC inspections. Please provide documents showing that when and what action was taken to address it.
  - (ii) A number of 'Can't Get In' (CGI) were also reported. PG&E has provided information that Gas Service Representatives (GSR) will follow up on it. However, in case when CGIs stay there for longer than three years and exceed 39 months monitoring

timeframe outlined in Title 49 Code of Federal Regulations, §192.481, what actions are taken to avoid violation of the code?