

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 10, 2013

Ms. Jane Yura, Vice President
Pacific Gas and Electric Company
Gas Operations – Standards and Policies
6121 Bollinger Canyon Road, Office #4460A
San Ramon, CA 94583

GA2012-05

SUBJECT: General Order 112-E Gas Audit of PG&E's Fresno Division

Dear Ms. Yura:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission, George Carter, Quang Pham, and Alula Gebremedhin conducted a General Order 112-E audit of Pacific Gas & Electric Company's (PG&E) Fresno Division (Division) from April 23-27, 2012. The audit included a review of the Division's operation and maintenance records for the years 2010 through 2011, as well as a representative field sample of the Division's facilities. SED's findings are 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 audit. SED will notify PG&E of the enforcement action it plans to take after it reviews PG&E's audit response.

If you have any questions, please contact Quang Pham at (415) 703-4763 or by email at quang.pham@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Michael Robertson".

Michael Robertson
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

Enclosure: Summary of Inspection Findings

cc: Frances Yee, PG&E Gas Engineering and Operations
Larry Berg, PG&E Gas Regulatory Support
Larry Deniston, PG&E Gas Regulatory Support
Dennis Lee, SED
Aimee Cauquiran, SED

SUMMARY OF INSPECTION FINDINGS

A. PG&E's Internal Audit Findings

Prior to the start of the audit, PG&E provided SED its findings from the internal review it conducted of the Division. Some of PG&E's internal review findings are violations of PG&E's operations and maintenance standards, and are therefore violations of Title 49 Code of Federal Regulations (CFR), §192.13(c). SED is aware that PG&E corrected all of its findings prior to SED's audit. Table 1 lists all of the violations that PG&E noted.

Table 1: Findings from PG&E's Internal Review

Topic	Code	Finding	Instances
Emergency Valves	192.13(c)	Information of valve maintenance forms and/or sketches do not match	65
Cathodic Protection	192.465(a)	Short sections of steel pipe not checked for cathodic protection within 10 calendar year	28
	192.13(c)	Missing cathodic protection review stamp on drawings	4
	192.13(c)	Yearly P/S monitoring not established where protected by wire	5
MAOP	192.13(c)	Inadequate MAOP documentation	5
Leak Repair	192.13(c)	Inadequate pressure test documentation on leak repair forms	7
Patrolling	192.13(c)	Missing patrol plan in the Pipeline Patrol binder	1
Emergency Zones Manual	192.13(c)	Missing information on maps/data sheet	15
	192.13(c)	Low pressure area not shown as separate zone	3
	192.13(c)	Shutdown zone maps missing/inaccurate	9
Deactivation Records	192.13(c)	Status of deactivated facilities not maintained per procedures	2

B. Areas of Violations

Title 49 CFR §192.465(d) states:

“Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.”

SED reviewed the Division’s corrosion control records and found that the Division’s timeframe for remediation on the following Cathodic Protection Areas (CPA) was inadequate.

1. CPA 3993-04A: Down since 1/18/2011 which extends beyond 15 months.
2. CPA 3993-01: Down from 08/12/2010 through 10/07/2011 for a period of 14 months.
3. CPA 3867-01: Down from 06/04/10 and as of this audit, the CPA was not restored; a period extending beyond 26 months.

C. Field Review and Areas of Concern/Recommendations

1. SED reviewed the Division’s corrosion control records and conducted field verifications and determine that its Isolated Risers 10% forms were incorrect. At the locations listed in Table 2, SED found that the risers were anodeless risers and should not be included as part of the Division’s cathodic protection maintenance activities. Furthermore, the Division recorded pipe-to-soil (P/S) readings at these locations during its maintenance cycle in 2012 that indicated otherwise. SED recommends the Division update their Isolated Risers list to prevent confusion.

Address	Readings	Date of Readings
2526 McKenzie	-884mV	01/04/2012
2535 E McKenzie	-919mV	01/04/2012
2815 E McKenzie	-854mV	01/04/2012

Table 2: Isolated Risers P/S readings

2. SED noted that CPA 3869 had a historical issue of blown fuses on the rectifiers. Also, during SED’s field verification of rectifier #479, the rectifier was not working and needed repair. Please describe actions taken by the Division to further investigate and resolve the issue with the rectifiers at this CPA.
3. SED inspected the exposed pipe on Shaw Ave. and Brawley Ave. in Fresno and noted that the pipe was partially submerged in water. SED also observed that the coating and wrapping on the pipe appeared to be in unsatisfactory condition.
4. SED inspected the cathodic protection on CPA 3869-07 at 3072 E. Simpson in Fresno. SED observed a P/S reading of -0.690V, which did not meet the -0.850V criteria used by PG&E.