

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 10, 2017

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

GI-2016-04-PGE09-02B

SUBJECT: General Order 112 Gas Inspection of PG&E's Humboldt 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 Company's (PG&E) Humboldt Division (Division) on April 26-29, 2016.¹ The inspection included a review of the Division's records for the period of 2014 through 2015, as well as a representative field sample of the Division's facilities in the cities of Eureka, Fortuna, Samoa, and Loleta. 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 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 violations and observations noted in the Summary.

If you have any questions, please contact Wai Yin (Franky) Chan at (415) 703-2482 or by email at Wai-Yin.Chan@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: Mike Bradley, PG&E Compliance
Susie Richmond, PG&E Gas Regulatory Compliance

¹ 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 the audit, PG&E provided SED its findings from the internal review it conducted of Humboldt 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. Table 1 lists all of the violations from PG&E's internal review.

Table 1: PG&E's Internal Review

Code Section	# of Non-Compliance	Finding Description	Corrective Action	Remediation Date
192.605(a)	1	Pressure Record was incomplete in a 2015 regulator station inspection.	The employee who performed the work completed the pressure record and a tailboard was conducted to address the expectations on job record completeness.	5/13/2015
192.605(a)	2	Regulator station datasheets were not filled out properly in 2015.	Data sheets were updated and a tailboard was conducted with clerks and crews to address proper data sheet completion protocol.	9/8/2015
192.605(a)	1	A 2015 odorization record did not have the supervisor's signature.	The supervisor completed the form with his signature and date. A tailboard was conducted with the crews to address the odorization paperwork review flow to ensure odorization reports will be review and sign by the supervisor.	11/9/2015
192.605(a)	1	Patrol of L177A Mile Point (MP) 164 to 165 (433.06ft.) was performed after the compliance due date (1/1/2016) because of hazardous conditions (presence of dogs in backyard without owner).	Patrol was completed in January 2016.	1/19/2016

B. SED Findings

1. Title 49 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.”

1.1 Utility Procedure TD-4540P-01, Section 6, Recordkeeping, states in part:

“6.1 Complete paper records as outlined below OR enter information on company mobile platform developed for documenting regulator station maintenance... 4. Review data sheets during each inspection AND update as needed...”

SED reviewed the Division’s regulator station maintenance records and found that the Division failed to review and update the regulator station data sheet for Arcata Transmission Station. The maximum allowable operating pressure (MAOP) of the station outlet was incorrectly listed as 250 psig on the data sheet. The Division verified that the correct MAOP of the station outlet should be 350 psig.

1.2 Utility Procedure TD-4430P-04, Section 18, Before Maintaining A Ball Valve, states in part:

“18.5 IF a transmission change of information on an operating diagram or operating map is required, THEN submit red-line revisions to the Gas Transmission and Distribution (GT&D) principal mapper.”

SED reviewed the Division’s gas valve maintenance records and found that the Division failed to request for an operating map update when a transmission main line valve V-9.29 in L-126B changed its normal position from Open to Close.

1.3 Utility Procedure TD-4430P-04, Section 3, Maintenance Record Keeping and Review, states in part:

“3.1 Maintenance personnel must perform the following tasks during each scheduled maintenance: ... 2. Log maintenance on the Valve Maintenance Record-Service History form. See Gas Utility Form TD-4430P-04-F02...”

SED reviewed the Division’s gas valve maintenance records and found that the Division failed to log the 2015 valve maintenance for each of the following four valves, listed in Table 2 below. The Division verified with its work ticket that the valve maintenances were all completed in accordance with the required frequency.

Table 2: Valve maintenances not logged on the Valve Maintenance Record Form

Valve Name	Equipment Number	Line/Station Name
V-12.21	41415027	Eureka 6” L126A at Mile Point 12.21
V-12.61	41415036	Eureka 6” L126A at Mile Point 12.61
V-A	41422396	Arcata 4” L137 at Mile Point 6.08
V-B	41422404	Arcata 4” L137 at Mile Point 6.08