

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

September 4, 2016

GI-2016-07-PGE03-02B

Mr. Sumeet Singh, Vice President ([s1st@pge.com](mailto:s1st@pge.com))  
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&amp;E's Mission Division

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112<sup>1</sup> inspection of Pacific Gas & Electric Company's (PG&E) Mission Division (Division) from July 11 through 15, 2016. The inspection included a review of the Division's operation and maintenance records including pressure control devices, and emergency and relief valves for the years 2013 through 2015, and a field inspection of a representative sample of the Division's facilities. SED staff also reviewed the Division's operator qualification records, which included a 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.

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 Alula Gebremedhin at (415) 703-1816 or by email at [ag5@cpuc.ca.gov](mailto:ag5@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: Susie Richmond, PG&E Gas Regulatory Support ([gsr8@pge.com](mailto:gsr8@pge.com))  
Mike Falk, PG&E ([mdfl@pge.com](mailto:mdfl@pge.com))  
Dennis Lee, SED ([dennis.lee@cpuc.ca.gov](mailto:dennis.lee@cpuc.ca.gov))  
Terence Eng, SED ([terence.eng@cpuc.ca.gov](mailto:terence.eng@cpuc.ca.gov))

<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 Inspection Findings

At the start of the inspection, 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 standards, and are therefore violations of Title 49 Code of Federal Regulations (CFR), §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.

Please provide SED an update on the items that were still pending corrective actions as of July 15, 2016.

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

| Code       | Finding  | Instances | Status   |
|------------|--|-----------|--|
| 192.605(a) | Casing without leads not monitored in 2015   | 2         | Corrected  |
| 192.605(a) | Exceeded 15 months of calibration of test instrument   | 1         | Corrected  |
| 192.605(a) | Sketch (leak) not clearly demarked when required   | 10        | Corrected  |
| 192.605(a) | Exceed the required interval of Patrol along Route 2403-12 from MP 0.05078 to 0.10992 (68.24 ft) | 1         | Corrected  |
| 192.605(a) | Information on Station Op Diagram and Data Sheet do not Match                                    | 2         | Pending<br>(7/28/16)   |
| 192.605(a) | Limitation on MAOP Design exceeded   | 1         | Corrected But a status on the replacement work still pending |
| 192.605(a) | Missed C inspection of a Station   | 2         | Corrected  |
| 192.605(a) | Relief valve capacity calculation not completed within 30 days                                   | 2         | Corrected  |
| 192.605(a) | Valve card not filled out correctly  | 5         | Corrected  |

## B. SED Findings

1. Title 49 CFR §192.605(a) states:

*"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."*

PG&E's standard TD-4540S "Gas Pressure Regulation Maintenance Requirements" Rev-0 dated 10/16/2013, "Table 2. Maintenance Schedule" showed Class A or B inspections for Large Volume Customer Regulator Station are required to be performed once each calendar year, at intervals not to exceed 15 months.

**Table 2. Maintenance Schedule**

| <b>Facility Type</b>   | <b>Class A inspection<br/>(External diagnostics)</b>  | <b>Class B<br/>Inspection<br/>(Internal<br/>maintenance)</b>  | <b>Class C Inspection (Internal<br/>Inspection)</b>  |
|--|---|---|--|
| Large volume customer regulator set (HPR-type). District regulator station (HPR-type).   | At least once each calendar year, at intervals not to exceed 15 months to the date of the previous Class A or Class B inspection. | For cause.  | Not required.  |
| Spring-loaded or pilot-operated (non-HPR-type) large volume customer regulator set. Spring-loaded or pilot-operated (non-HPR-type) | At least once each calendar year, at intervals not to exceed 15 months to the date of the previous Class A or Class B inspection. | Every 8-calendar years, at intervals not to exceed 15 months to the date of the previous Class A or Class B inspection. | Following installation: Six months, not to exceed 7-1/2 months to the date after the new station is tied in. After cutting or welding: During the next scheduled inspection, complete an internal inspection of station components downstream of cutting or welding locations. |

The last maintenance for Large Volume Customer regulator L-076 was performed by PG&E on 2/14/2013.

Therefore, PG&E is in violation of 192.605 (a) for failing to perform maintenance on this regulation station during the 2014 and 2015 calendar years as required by its procedure.

## **II. Areas of Concern / Recommendations/ Observations**

1. During SED's field observation, lockup could not be achieved either at the working or monitoring regulators at four of the five stations SED visited (RL-22, RL-32, RS-07, & RF-02).

The previous year's annual maintenance records noted the same recurring issue at the aforementioned regulators, in addition to others. Sulfur build up at the main body diaphragm or pilot stem was recorded as the main cause and also observed during SED's field visit.

SED also observed these problems in other divisions and discussed the concern during the 2014 SED inspections in Sonoma and Humboldt Divisions; hence, this shows the problem may be system wide.

Therefore, please provide responses to the following:

- a. What is PG&E's plan to mitigate this recurring issue at the division, and also system wide?
  - b. Considering this issue was observed in several divisions, has PG&E tried to address this in its DIMP program? If no, please explain why.
  - c. SED observed "Sulfur Filters" installed at some stations to reduce the sulfur build up in the equipment. Does PG&E take similar action at stations where similar problems were observed?
2. Title 49 CFR §192.467 External corrosion control: Electrical isolation, states,

*"(a) Each buried or submerged pipeline must be electrically isolated from other underground metallic structures, unless the pipeline and the other structures are electrically interconnected and cathodically protected as a single unit.*

*(b) One or more insulating devices must be installed where electrical isolation of a portion of a pipeline is necessary to facilitate the application of corrosion control"*

During SED's field inspection of regulator station RF-02, SED observed no insulation between the steel pipeline and metal support.

Please provide PG&E's plan to address this concern.

3. During SED's field inspection of regulator station RL-20, SED noticed that the regulator and monitor manholes were approximately 9 feet deep with no confirmation of enough air movement for employees to work safely inside. PG&E's technicians stated that they used an external air mover to introduce outside air while working inside.

SED recommends PG&E to perform a study to determine if these air movers provide an adequate amount of ventilation for personnel while performing work inside these or similarly designed manholes, and to make adjustments as needed.

4. PG&E Utility Work Procedure TD-4540P-01 states:

*“Review data sheets during each inspection AND update as needed”*

SED observed the following incomplete documentation or the use of outdated forms. SED recommends updating these as needed.

- I) PG&E used outdated maintenance forms for Meter Set Assembly (MSA) maintenance. PG&E developed form F4340P-02-F02 Rev-1 published on 02/14, but documented the following maintenance on the old version of the forms.
  - a. The 6/3/15 maintenance of MSA F-630
  - b. The 8/4/14 maintenance of MSA L-449
  - c. The 2/19/15 maintenance of MSA H-159
  
- II) Working monitor set points were not recorded on the “Regulator Station Datasheet TD-4540-01-F01” for regulator stations RL-36, RL-39, & RL-40. SED also observed similar circumstances during inspections at other divisions.

PG&E explained that the set points can be found on the brass plate tag located on each piece of equipment. SED observed the presence of these tags at the above regulator stations; however, similar to the other set points recorded in the datasheet, SED recommends recording the working monitor set points on the datasheet to ensure full documentation of records for review.

- III) PG&E’s form TD-4540-01-F02 “Regulator Station Maintenance Record” does not include a section for employees to record issues related to “Working Monitor Lockup”. For instance, the working monitor did not lockup during the 8-25-15 annual maintenance of regulation station RF-02, but the issue wasn’t recorded on the above form, except for the technician’s note on the back side of the form.

SED recommends revising the form to give employees an opportunity to record issues like the one noted above.