

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV - PG&E's Internal Review Findings	I.A	<p>Prior to the start of the inspection, PG&amp;E provided SED its findings from the internal review it conducted of San Jose Division. Some of PG&amp;E's internal review findings are violations of PG&amp;E's standards, and are therefore violations of Title 49 Code of Federal Regulations (CFR) §192.13(c) or §192.605(a). Other findings in keeping the records necessary to administer procedures are violations under §192.603(b). The table below lists all of the violations from PG&amp;E's internal review.</p> <p>SED staff noted that some of the findings were corrected prior to the inspection. For those items not corrected prior to the inspection, please provide an update on PG&amp;E's progress to complete the corrective actions.</p> <p>2015 Corrosion Control - 192.465(a):</p> <p>After installing the new deep well (for CPA 3414-29), we discovered another issue with the area. This rectifier will need a new cathode wire. The work is scheduled to be done early next week. {SED: June 2016}</p>	<p>As a follow up to the Self-Identified Non-Compliance item disclosed in the internal review summary of findings (IRSF) report item concerning the missed annual maintenance on the rectifier (ref CAP 7033247), PG&amp;E completed replacement of the cathode wire on 10/7/2016, and is now properly maintaining the equipment. Please see the attached documents for the work.</p>	<p>IRSF I.A - CPA 3414-29 Station Report.pdf IRSF I.A - CPA 3414-29 Maint Report.pdf</p>
AOC	II.A	<p><u>Regulator Station Pipe Coating</u></p> <p>During the inspection, SED observed that the new station piping at the Dunn/Sorrell regulator station had remained uncoated for almost three years. PG&amp;E explained that coating at the station had been delayed because a NACE coating inspector was required to observe and validate the coating process due to the station belonging to a transmission pipeline.</p> <p>PG&amp;E stated that "PG&amp;E requires a timeframe not to exceed 39 months to paint or coat new piping/equipment to protect against atmospheric corrosion, in accordance with regulatory code and company policy. PG&amp;E uses conservative interpretations of time frames to ensure regulatory compliance and the completion date for work to be performed can be extended up to but not exceed the regulatory requirement."</p> <p>Although PG&amp;E did not exceed their 39-month requirement to paint or coat new piping, SED recommends that PG&amp;E review its construction process to efficiently plan and schedule future construction that require NACE coating inspectors observing and validating the coating process, to minimize delays in coating application and prevent potential corrosion on new piping.</p>	<p>PG&amp;E appreciates the suggestion and recognizes the importance of ensuring piping is coated in a timely manner. PG&amp;E is normally effective in ensuring station piping is coated as part of the installation process, and considers this to be a unique case and not subject to recurrence.</p>	<p>n/a</p>
AOC	II.B	<p><u>Inoperable Valves</u></p> <p>Regulator Station H-45 had some inoperable valves noted during PG&amp;E's inspection in 2015. Please provide records to confirm that these valves have become operable within the 15-month inspection cycle.</p>	<p>PG&amp;E recognizes these observations and has taken the following corrective actions:</p> <p>The valves at Regulator Station were replaced within the 15 month window from discovery. All 4 valves (4,5,9 and 6) were all found inoperable or hard to turn on 5/13/15. They were replaced on 7/28/16 and the Regulator Station Data Sheets updated accordingly (attached).</p>	<p>AOC2.B - DR H-45 Data Sheets.pdf</p>