



Larry Deniston
Manager
Regulatory Compliance
Gas Operations

6111 Bollinger Canyon Rd.
San Ramon, CA 94583
Phone: 925.328.5756
E-mail: LCD1@pge.com

November 10, 2015

Mr. Ken Bruno
Gas Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: State of California – Public Utilities Commission
General Order 112-E Audit – PG&E’s Hollister District

Dear Mr. Bruno:

The Safety and Enforcement Division (SED) of the CPUC conducted a General Order 112-E audit of PG&E’s Hollister District from August 17-21, 2015. On October 12, 2015, the SED submitted their audit report, identifying violations and findings. Attached is PG&E’s response to the CPUC audit report.

Please contact Mike Lang at (209) 601-9853 or mstd@pge.com for any questions you may have regarding this response.

Sincerely,

/S/
Larry Deniston

Attachments

cc: Aimee Cauguiran, CPUC
Dennis Lee, CPUC

Mike Falk, PG&E
Sumeet Singh, PG&E

2015 Hollister District Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
PG&E Internal Audit Findings		PG&E's Internal Audit Findings	As stated in CPUC's October 12, 2015 Inspection letter, PG&E corrected all of its findings prior to SED's inspection.	N/A
SED NOV	1	<p>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."</p> <p>PG&E Procedure TD-4181P-202 requires cathodic protection overprotection conditions to be remediated within 60 calendar days, or an Action Plan needs to be created if remediation is expected to exceed 60 days. TD-4181P-202 indicates that pipe-to-soil readings must be less negative than -1600 mV to prevent overprotection conditions. The following pipe-to-soil readings were more negative than -1600 mV and PG&E failed to remediate the overprotection conditions as required by TD-4181P-202:</p> <p>a. L300A MP 437.80; On Potential of -1860 mV on 3/25/15 o No remedial action within 60 days; no action plan created</p> <p>b. L300B MP 428.40; On Potential of -1624 mV on 3/14/15 o No remedial action within 60 days; no action plan created</p>	<p>a. For L-300A MP 437.80, Work Request 211842 was created on 3/25/15 to take an instant off read for corrective action. This was completed on 8/4/15 with a read of -1693 mV ON, -1119 mV OFF, indicating an overprotection condition did not exist per TD-4181P-202 (2.1.2) although the Work Request was completed past 60 days.</p> <p>b. For L-300B MP 428.40, Work Request 211869 was created on 3/14/15 to take an instant off read for corrective action. This was completed on 7/30/15 with a read of -1660 mV ON, -1013 mV OFF, indicating an overprotection condition did not exist per TD-4181P-202 (2.1.2) although the Work Request was completed past 60 days.</p> <p>PG&E performed a tailboard with the crew on 8/25/15 reviewing Utility Procedure TD-4181P-202; Cathodic Overprotection. See attachment: att3 Overprotection Tailboard.pdf. In addition, PG&E has implemented a weekly CPA Open Corrective report which highlights all on going corrective work. This report is reviewed weekly to determine prioritization and ensure implementation to meet all compliance deadlines.</p>	att1 WR-211842.pdf att2 WR-211869.pdf att3 Overprotection Tailboard.pdf att6 TD-4181P-202.pdf
AOC	1	<p>1. During SED's field verification of pipe-to-soil readings, the District recorded pipe-to-soil readings that did not meet Title 49 CFR Part 192, Appendix D criteria. Table 12 lists the out of compliance readings.</p> <p>Table 2: Out of Compliance pipe-to-soil readings Location - P/S reading:</p> <p>Pipeline in casing at L300A MP 462.10 -641 mV L300B MP 465.00 -643 mV L300B MP 466.30 -816 mV L300B MP 422.70 -846 mV L300A MP 422.75 -772 mV L300A MP 426.55 -625 mV L300A MP 429.51 -706 mV L300B MP 434.26 -516 mV L300A MP 456.80 -817 mV</p> <p>Please provide SED a status report on the cathodic protection at these locations.</p>	<p>Pipeline in casing at L300A MP 462.10 -641 mV - A deep well was recently installed at Bloomfield Station. District anticipates new rectifier to be installed by end of November 2015.</p> <p>L300B MP 465.00 -643 mV - A deep well was recently installed at Bloomfield Station. District anticipates new rectifier to be installed by end of November 2015.</p> <p>L300B MP 466.30 -816 mV - A deep well was recently installed at Bloomfield Station. District anticipates new rectifier to be installed by end of November 2015.</p> <p>L300B MP 422.70 -846 mV - A reading of -931 mV was taken on 10/22/15.</p> <p>L300A MP 422.75 -772 mV - A reading of -917mV was taken on 10/22/15.</p> <p>L300A MP 426.55 -625 mV - A reading of -961 mV was taken on 11/5/15.</p> <p>L300A MP 429.51 -706 mV - A reading of -800 mV was taken on 10/22/15. Corrosion Dept will continue to troubleshoot.</p> <p>L300B MP 434.26 -516 mV - A reading of -954 mV was taken on 11/5/15.</p> <p>L300A MP 456.80 -817 mV - A new diode has been ordered for rectifier #59.</p> <p>To prevent reoccurrence, action plans are now managed in the work management system, SAP. Automatic notifications are generated and sent to appropriate parties, alerting them of the need to initiate action plans and to make in a timely manner any subsequent updates to the action plans, including scheduling of work requests.</p>	
AOC	2	<p>2. During SED's review of rectifier maintenance records, SED noted rectifiers that had Volt and Amp readings exceeding their rated capacity. Table 3 lists all of the rectifier readings that exceed their rating.</p> <p>Table 3: Rectifier reads exceeding rating</p> <p>#55; MP 459.64 - 25.74V, 24.66V, 36V (for 2012, 2013, & 2014 respectively) 18V #60; MP 459.40 - 25.45A, 10.92A (for 2012 & 2013 respectively) 8A #61; MP 473.90 - 50.6V (for 2014) 50V</p> <p>Please provide SED the corrective actions taken to address these issues.</p>	<p>Rectifier #55; MP 459.64 (ser# 984216) is a dual unit rectifier. Unit 1 is rated for 18v - 50a, and Unit 2 is rated for 34v - 30a. While this rectifier voltage reading has exceeded the rating, the rectifier manufacturer has communicated that this model rectifier is not affected by exceeding the rating of the DC voltage, and is acceptable without causing any damage. See attachment: att4 PGE over voltage letter 11-3-15.pdf. In addition, Corrosion Engineering has initiated a project to upgrade this rectifier to a higher maximum voltage output. The PSRS project # is 41219.</p> <p>Rectifier #60; MP 459.40 (ser# 8111557) is rated for 18v - 8a. - PG&E believes that the 25.45a reading may have been an erroneous reading, as this rectifier came equipped with a 10a fuse for DC output protection. See attachment: att5 Rectifier #60 fuse.JPG. This rectifier has however, operated over the 8a rating several times since 2012. As a result, Corrosion Engineering has created a project (PSRS # 41177) for replacement.</p> <p>Rectifier #61; MP 473.90 (ser# 960383) is rated for 50v - 50a. As a result of this rectifier exceeding the 50v rating once in 2014, the rectifier was adjusted according to the voltage and current output on Omnimetrix on 10/26/2014. The next maintenance reads entered in PLM were taken on 11/18/2014 at 19.6v - 11.2a. In addition, the rectifier manufacturer has communicated that this model rectifier is not affected by exceeding the rating of the DC voltage, and is acceptable without causing any damage. See attachment: att4 PGE over voltage letter 11-3-15.pdf.</p>	att4 PGE over voltage letter 11-3-15.pdf att5 Rectifier #60 fuse.JPG