

## PUBLIC UTILITIES COMMISSION

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SAN FRANCISCO, CA 94102-3298



May 3, 2016

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-2015-09-PGE21-01A

SUBJECT: General Order 112 Gas Inspection of PG&E's Rio Vista and Los Medanos Districts

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) Rio Vista and Los Medanos Districts (Districts) on September 21-25, 2015.<sup>1</sup> The inspection included a review of the Districts' records for the period of 2012 through 2014, as well as a representative field sample of the Districts' facilities in the cities of Rio Vista, Concord, Antioch, and Pittsburg. SED staff also reviewed the Districts' 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. 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 Quang Pham at (415) 703-4763 or by email at quang.pham@cpuc.ca.gov.

Sincerely,

Kenneth Bruno  
Program Manager  
Safety and Enforcement Division

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Enclosure: Summary of Inspection Findings

cc: Mike Falk, PG&E Gas Regulatory Support  
Larry Deniston, PG&E Gas Regulatory Support

<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 Audit Findings

Prior to the start of the audit, PG&E provided SED its findings from the internal review it conducted of Rio Vista and Los Medanos Districts (Districts). 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

<b>Code Section</b>	<b># of Non-Compliance</b>	<b>Finding Description</b>	<b>Corrective Action</b>	<b>Remediation Date</b>
<b>Rio Vista</b>				
192.13(c)	1	Rectifier missed maintenance	Annual maintenance was completed	5/8/2015
192.13(c)	1	Records showed a section of pipe as cased but field notes indicate it is not cased.	There is no casing, records have been updated	1/6/2015
192.13(c)	1	Missed maintenance on cased pipes due to incorrect records	Records have been corrected	6/8/2014
192.13(c)	2	Possible contact on cased pipe	Casing has been gelled	7/22/2015
192.13(c)	2	Issues identified on exposed spans	Spans have been added to the remediation program	9/1/2015
192.13(c)	17	Issues identified on exposed spans	Spans have been added to the remediation program	<b>Pending</b>

**Table 2 (cont'd): PG&E's Internal Review**

<b>Code Section</b>	<b># of Non-Compliance</b>	<b>Finding Description</b>	<b>Corrective Action</b>	<b>Remediation Date</b>
<b>Antioch</b>				
192.13(c)	1	No action plan created for read outside acceptable criteria during rectifier maintenance in 2014	Rectifier had good reads during next maintenance cycle	7/21/2014
192.13(c)	3	Rectifier Site Evaluation Forms not filled out correctly	Crew tailboarded on the importance of full and complete documentation	9/14/2015
192.13(c)	3	No action plan created for low P/S readings on L-114	Good P/S reads were taken	7/28/2014
192.465(a)	2	P/S readings not recorded during maintenance, as a result the maintenance cannot be verified	Good P/S reads were taken at the next maintenance cycle	07/29/2013, 07/22/2014
192.13(c)	7	No action plan/late action plan created for low P/S reads	Good P/S reads were taken at the next maintenance cycle	7/22/2014
192.13(c)	1	No % LEL reading was taken during maintenance of cased pipe	% LEL read was taken at the next maintenance cycle	3/21/2013
192.13(c)	1	No work request was created for issues identified during exposed span inspection in 2012	Span has been added to the remediation program; pending priority level	<b>Pending</b>
192.13(c)	2	No work request was created for issues identified during exposed span inspection in 2012	Span have been added to the remediation program	4/10/2015, 08/24/2015
<b>Los Medanos</b>				
192.13(c)	2	No action plan created for abnormal rectifier reads in 2014	Work request was created for corrective action, abnormal read has been resolved	7/21/2014
192.13(c)	1	No action plan created for abnormal rectifier reads in 2013	Work request was created for corrective action, abnormal read has been resolved	7/15/2013
192.13(c)	4	P/S reads outside of acceptable criteria in 2013 were closed out without recording the up reads or creating action plans	Work request was created for corrective action, good reads were taken at the next maintenance cycle	4/3/2014
192.13(c)	1	Station maintenance form not being filled out correctly, Piping and Atmospheric Corrosion section not being filled out consistently	Refresher review was provided to Los Medanos Maintenance personnel	9/17/2015

Please provide SED a status update on the internal findings that remediation were not completed as of September 25<sup>th</sup>, 2015.

## 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 Gas Standard O-71, Calibration of Crystal and Gel Electrodes, states in part:

*“Check each reference electrode for calibration four times each calendar year, not to exceed 4-1/2 months...”*

SED reviewed the Districts’ Copper-Copper Sulfate electrode calibration records and found that the Districts did not check each of following reference electrodes for calibration four times each calendar year in accordance with Gas Standard O-71. PG&E is in violation 49 CFR §192.605(a).

**Table 1:** Reference electrodes not checked for calibration

<b>Equipment ID</b>	<b>Missing Calibration</b>
Concord-10	June 2013
Concord-22	December 2012 and September 2013

1.2 Gas Standard O-16, Section 6.B.3, Cathodic Protection Restoration for Backbone Transmission and Gathering Lines, states in part:

*“If the CPA restoration work is (or is expected to be) over 60 days, the “CPA Follow-Up Action Plan” form (Attachment B or equivalent) must be used and developed within 60 calendar days from the date the CPAs found below adequate levels of protection...”*

SED reviewed the Districts’ corrosion records and found that the Districts did not develop a “CPA Follow-up Action Plan” for a low read found on ETS RVEMR0710 L-108 Eight Mile Road PLS during maintenance on 05/22/2014 in accordance with Gas Standard O-16. The next compliant read at this location was on 01/20/2015, a period extending beyond the 60 days requirement. PG&E is in violation of 49 CFR §192.605(a).

1.3 Gas Standard O-16, Section 9.A, states in part:

*“Whenever the presence of corrosive liquid is confirmed, or corrosometer probe reads are out-of-specification, a mitigation plan shall be developed.”*

SED reviewed the Districts’ Corrosometer Probe data and found the probe at Thornton Rd L-196 has been giving faulty Check Reference Readings dating back to 2009. The Districts did not develop a mitigation plan nor did the Districts remove the faulty probe from service as required in Gas Standard O-16. PG&E is in violation of 49 CFR §192.605(a).

2. Title 49 CFR §192.475(b) states:

*“Whenever any pipe is removed from a pipeline for any reason, the internal surface must be inspected for evidence of corrosion.”*

SED reviewed the Districts’ Leak Repair records and found that the Districts did not perform an internal pipeline inspection for a section of pipe that was exposed during the leak repair process. Leak 96-13-23003-1 was discovered on 10/23/2013 and was repaired on 10/27/2013 by removing the leaking valve and replacing a short section of the steel main. During the leak repair, the Districts failed to inspect the internal surface of the sections removed and the adjacent pipe. PG&E is in violation of 49 CFR §192.475(b).

3. Title 49 CFR §192.491(c) states:

*“Each operator shall maintain a record of each test, survey, or inspection required by this subpart or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures...”*

SED was unable to verify the calibration of equipment used by Rio Vista District prior to April 2014. Rio Vista District could not locate the binder containing the calibration records and noted the binder is currently missing. Rio Vista District must adhere to recordkeeping requirements and maintain calibration records to confirm equipment used was properly calibrated. PG&E is in violation of 49 CFR §192.491(c).

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

1. During SED's field verification of pipe-to-soil read location RVCP52590 L-401E MP 281.56, SED noted the label on the valve actually indicated MP 281.59. Please update SED with confirmation if either the PLM or field read point location description is the correct information and actions taken to update the information.
2. During SED's field verification, SED noted rectifier #344 L-144 MP 3.10 produced an open loop (OL) reading for the ground resistance measurement. Please provide SED with an update on the remedial actions to address the OL reading at this rectifier.
3. During SED's field verification, a pipe-to-soil read was mistakenly taken at L-130W V-137 when the requested read was actually on L-130W V-48. Please provide SED with the most recent pipe-to-soil read at the correct location: RVCP600890 L-130W MP 1 V-48.
4. During SED's field verification, SED noted a low pipe-to-soil read of -811mV at location RVCC52600 L-401E MP 281.63 Creed Station. SED has been provided with a restored read of -865mV taken on 10/02/2015. There is no follow-up response required for this observation.