

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 29, 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-2015-10-  
PGE26-01A

**SUBJECT: General Order 112 Gas Inspection of PG&E's Topock District**

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) Topock District (District) on October 20-22, 2015<sup>1</sup>. The inspection included a review of the District's records for the period of 2013 through 2014, as well as a representative field sample of the District's facilities between the cities of Needles and Ludlow. SED staff also reviewed the District'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 reviewed 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 audit.

If you have any questions, please contact Willard Lam at (415) 703-1327 or by email at [wlm@cpuc.ca.gov](mailto:wlm@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 Compliance  
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 inspection, PG&E provided SED its findings from the internal review it conducted of Topock District (District). 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 audit. 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 Status</b>
192.605(a)	1	Needles Tap Rectifier missing action plan	Omni Metrix remote unit recording incorrect values. Onsite readings will be taken until troubleshooting or repairs are complete	Pending
192.605(a)	1	TEG* at MP 4.58 missing action plan	TEG* was replaced on 8/22/15	Completed
192.605(a)	1	Solar Rectifier missing action plan	Battery was replaced 6/19/14	Completed
192.605(a)	1	Rectifier at MP 40.87 missing action plan	Rectifier repaired 5/8/14	Completed
192.605(a)	1	Theft of rectifiers at MP 25 and 40 caused multiple ETS locations to have low pipe-to-soil readings	Temporary CP was installed while permanent repairs to the rectifiers are completed	Pending
192.605(a)	6	Low pipe to soil readings with late action plans	Subsequent pipe to soil reading found to be at adequate levels	Completed
192.477	1	ETS-300A MP 6.00 Corrosion coupon reading missing	Subsequent coupon read taken on 1/27/14	Completed
192.605(a)	2	High pipe to soil readings with no instant off and late action plan	Subsequent read taken was found to be at adequate levels	Completed
192.605(a)	1	ETS-300B MP 87.42 Casing and LEL missing reads in 2014	Casing read of -183mV and LEL read of 0% taken on 10/12/15	Completed
192.605(a)	-	All pipe spans have indications of corrosion, coating or erosion on the pipeline and supports	Corrosion Engineering schedules remediation based on risk and consequences	Pending
192.605(a)	1	V-55.89A has indication of a bad transition since 2013 with no action taken	Work request 196893 was created for corrective action	Pending

192.605(a)	-	Atmospheric corrosion noted at Topock Compressor station in 2013-2015	Work request issued for corrective action	Pending
192.605(a)	-	Atmospheric corrosion noted at LRCV 21A&B	Work requests 214350 and 214351 created for corrective action	Pending
192.605(a)	2	"A" form completed and submitted incorrectly	A refresher tailboard meeting was given 10/13/15	Completed
192.605(a)	17	Supervisor approval for valve maintenance forms exceeded 30 days	All valve cards have been reviewed and signed	Completed
192.605(a)	23	Valve card data incorrect or missing	System wide CAP item 7014384 has been created to research all missing valve card information	Pending
192.605(a)	9	Valves did not receive complete maintenance when due	All valves listed were maintained on the next maintenance cycle and documented on the appropriate form	Completed
192.605(a)	1	Amboy station - regulator station data sheet incomplete	W/R 216757 was created to populated data sheet	Pending
192.605(a)	4	Relief valve maintenance not documented on correct form	Maintenance was documented on the correct TD-4430P-02-F02 form on 10/14/15	Completed
192.605(a)	1	R-611 Relief valve capacity calculation missing engineer's signature	Calculation was approved on 10/14/15	Completed
192.605(a)	1	Relief valve maintenance and calculation not documented during 2013 maintenance	Maintenance documented in 2014	Completed
192.605(a)	4	Relief valve maintenance not documented in 2013	Listed relief valves were commissioned in 2013 and first maintenance performed in 2014	Completed
192.605(a)	-	Instrument calibration records missing or incorrect documented	PG&E failed to follow its own standards during records keeping while performing instrument calibrations	Completed

\*TEG: Thermal Electric Generator

SED is aware that the District may have completed some of the items by the time of this letter. Please provide an update on the corrective status on the items that were pending as of October 22, 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-16, Section 6, Paragraph (B)(3), states:

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

During a review of the District’s corrosion records, SED discovered the “CPA Follow-Up Action Plan” form (Action Plan) was created late for Electrolysis Test Station (ETS) L-300B Mile point (MP) 2.10. On 11/10/2014, the District discovered a below adequate pipe to soil reading of -834 millivolts (mV) at ETS L-300B MP 2.10. On 2/20/15, the District recorded a subsequent reading of -993 mV. However, no Action Plan was created, thus violating PG&E’s Gas Standard O-16 and subsequently 49 CFR §192.605(a).

## II. Areas of Concern/ Observations/ Recommendations

- A. During field visits to ETS locations, SED observed numerous pipe-to-soil readings to have below adequate protection (see Table 2). SED is aware that the District is in the process of permanent repairs for the stolen rectifiers (MP 25 and MP 40), however, SED still considers these below adequate pipe-to-soil readings a concern, especially since some ETS locations have remained inadequate since the beginning of 2015. PG&E's temporary cathodic protection no longer appear to be providing adequate protection for the area at the time of inspection. Please provide SED with an update for the ETS locations listed in Table 2 and the status of the permanent repairs for the stolen rectifiers.

**Table 2. Field Visit Locations**

Item #	Field Visit Type	Line	Mile Point	Notes
1	ETS Read	Needles Tap	0.7	-865 mV
2	Rectifier	A	0.24	1.3 VDC; 0.0A (bad anode wire)
3	ETS Read	B	0.24	-300 mV (due to down rectifier)
4	ETS Read	A	0.32	-803 mV
5	ETS Read	B	0.95	-803 mV
6	ETS Read	B	2.93	-601 mV
7	ETS Read	B	4.97	-754 mV
8	ETS Read	B	13.6	-728 mV
9	ETS Read	A	16.33	-708 mV
10	ETS Read	B	17.9	-700 mV
11	ETS Read	B	18.9	-671 mV
12	ETS Read	A	20.3	-700mV
13	ETS Read	A	21.23	-587 mV
14	ETS Read	A	22.14	-690 mV
15	ETS Read	B	25.38	-681 mV
16	ETS Read	A	26	-601 mV
17	ETS Read	A	30.79	-567 mV
18	ETS Read	B	30.4	-643 mV
19	ETS Read	B	33.31	-737 mV
20	ETS Read	B	35.43	-768 mV
21	ETS Read	A	36.62	-567 mV
22	ETS Read	A	37.13	-562 mV
23	ETS Read	A	38.2	-620 mV
24	ETS Read	B	42.6	-766mV
25	ETS Read	A	44.12	-649 mV
26	ETS Read	B	44.54	-823 mV
27	ETS Read	A	52.03	-829 mV

- B. During a field visit to a rectifier at L-300B MP 40.49, SED noticed the smell of natural gas present in the area. Upon investigation, SED determined the cause of the odor to be a leaking relief valve nearby the rectifier location. The District dispatched personnel to perform a follow up investigation. Please provide SED with an update on the leak repair and the record of repair.
  
- C. While traveling along the pipeline right-of-way to ETS location L-300A MP 87.10, SED discovered an exposed section of pipeline at an existing concrete covered wash. The soil embankment eroded past the concrete layer protecting the pipeline, exposing an approximately 2.5 foot section of the pipeline coating. Please provide SED with the last inspection of the exposed section prior to SED's 10/21/2015 visit. Additionally, provide a status update on the District's remediation of the said exposed section of L-300A.