



Public Utilities Commission
STATE OF CALIFORNIA

Citation Date: January 10, 2025

Citation #: D.16-09-055 G.25-01-001

Operator ID#: 15007

CITATION
ISSUED PURSUANT TO DECISION 16-09-055

Gas Corporation (Operator) To Which Citation is issued: Pacific Gas & Electric Company
(15007)

OFFICER OF THE RESPONDENT:

Mr. Austin Hastings
Vice President, Gas Engineering
Pacific Gas & Electric Company
6121 Bollinger Canyon Road
San Ramon, CA 94583

CITATION:

Pacific Gas & Electric Company (PG&E or Operator) is cited for one violation, resulting in a financial penalty of \$100,000. The Safety and Enforcement Division (SED) discovered this violation in its investigation of Incident Number G20230608-3539, which occurred on June 8, 2023. A PG&E employee was injured while repairing a Grade 1 Gas Leak. SED's investigation determined that PG&E's employee failed to follow its Utility Procedure: TD-4150P-202 which could have prevented the injury and property damage.

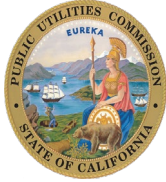
VIOLATIONS:

PG&E is cited for violating General Order (GO) 112-F, which incorporates by reference Title 49 Code of Federal Regulations (CFR) Part 192.

General Order 112-F, Referenced Title 49 Code of Federal Regulations (CFR), Part 192, Section 192.605(a) Procedural manual for operations, maintenance, and emergencies.

§192.605(a) Procedural manual for operations, maintenance, and emergencies states:

Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.



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ENCLOSURES:

The following enclosures were used to establish the findings of fact:

Enclosure 1 – SED Investigation Report, dated May 23, 2024

Enclosure 2 – PG&E’s Apparent Cause Evaluation (ACE) Report (Final), dated March 7, 2024

Enclosure 3 – PG&E’s Utility Procedure: TD-4150P-202, “Mueller Line Stopper (M2) H-17190 and H-17191 2-Inch Through 4-Inch Operation Using D-Series Drilling Machine”

Enclosure 4 – SED’s Notice of Probable Violation (NOPV) letter, dated May 31, 2024

Enclosure 5 – PG&E Response to SED’s NOPV, dated June 28, 2024

Enclosure 6 - PG&E's Initial 420 Report

Enclosure 7 - PG&E's Final 420 Report

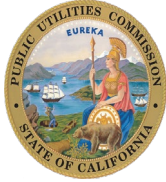
STATEMENT OF FACTS:

The above violation is documented in the attached *Enclosure 1 – SED Incident Investigation Report* which is based on the following: SED’s field observations; SED interviews with PG&E personnel; and SED’s review of PG&E’s records and data request responses.

BACKGROUND:

On June 8, 2023, an unplanned release of gas, without ignition, from a distribution gas main resulted in an injury necessitating in-patient hospitalization of a PG&E employee. The injury occurred while the PG&E employee was repairing a gas leak caused from the dislodgment of a Mueller 4-inch completion plug from a 4-inch steel Mueller line stopper (M2) fitting. The PG&E employee’s improper operation of a Mueller D-5 machine while installing a completion plug caused the unplanned release of gas and the resulting injury to happen.

SED’s investigation revealed that PG&E’s Utility Procedure TD-4150P-202, section 7 “Inserting Completion Plug” required employees to physically check and visually confirm thread engagement when installing or inserting completion plugs after the first few turns. Per PG&E’s Apparent Cause Evaluation (ACE) Report, apparent cause # 1 states that both PG&E employees (foreman/injured coworker (ICW) and gas mechanic/coworker #2 (CW2)) failed to follow PG&E’s Utility Procedure TD-4150P-202, which required them to physically check and confirm thread engagement on the completion plug after the first few turns. PG&E’s ACE Report also indicates that both PG&E employees stated during interviews that they did not view the gas leakage as abnormal even though Utility Procedure TD-4150P-202 specifies a leak as an abnormal operating condition (AOC) and



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requires work stoppage. The employees failed to properly address the leaking gas as required by Utility Procedure TD-4150P-202 Step 7.22. SED's interviews of the PG&E employees found that the employees were unsure how to proceed when leaking gas was present and took incorrect action of further tightening the completion plug instead of stopping work. PG&E employees failed to follow PG&E's Utility Procedure TD-4150P-202 to recognize the gas leak as an AOC and to address the gas leak.

SED finds PG&E in violation of G.O. 112-F, Referenced Title 49 CFR, §192.605(a) for failing to follow its own procedures to maintain the safety of its employees and prevent worker injuries.



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SED CITATION ANALYSIS:

Factor	Staff Finding
Number of violation(s) and duration of violation(s)	One violation of Title 49 CFR Part 192. Section 192.605(a). Occurred on June 8, 2023.
Severity or gravity of the offense	<p>Physical Harm: The incident resulted in one injury.</p> <p>Regulatory Harm and Number of Violation(s): SED identified one violation of G.O. 112-F, Reference Title 49 CFR, Part 192, §192.605(a) during the course of its investigation.</p>
Conduct of the utility	<p>GO 112-F, which incorporates by reference Title 49 CFR, Section 192.605(a), requires utility gas operators to prepare, maintain, and follow a procedure manual for conducting operations, maintenance activities, and emergency response to ensure the safe operation of gas pipelines. PG&E’s Utility Procedure TD-4150P-202 was in effect at the time of the incident.</p> <p>PG&E’s ACE report indicates that PG&E employees failed to follow its Utility Procedure TD-4150P-202 to perform, recognize, and address a gas leak as an AOC which led to the violation and resulting injury.</p> <ul style="list-style-type: none"> • TD-4150P-202, section 7 “Inserting Completion Plug” step 7.14 and 7.15 requires PG&E employee to physically check and visually confirm thread engagement after the first few turns. However, PG&E’s ACE report indicated that the employees failed to check and visually confirm the thread engagement. • TD-4150P-202 specifies a gas leak as an AOC and requires work stoppage. However, the PG&E employees did not



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	<p>cover or discuss the AOCs and stop work criteria that were specified in TD-4150P-202 during tailboard briefing or before starting work. This led the employees to fail to recognize that leaking gas was an AOC which required work stoppage.</p> <ul style="list-style-type: none">• TD-4150P-202 step 7.22 states in part: “7.22 Open bleeder valve(s) on machine adapter nipple AND drilling machine, if applicable. 1. IF gas pressure does not exhaust after opening bypass/relief valve or bleeder valve(s) AND number of turns listed in Table 15 did not occur, THEN discontinue this procedure, install additional fitting(s) to isolate the AOC, AND remove equipment to inspect and/or remove defective fitting.” <p>PG&E employees failed to follow the step 7.22 to properly address the AOC. The PG&E CE team interview concluded that the employees were unsure how to proceed when leaking gas was present and took incorrect action of further tightening the completion plug instead of stopping work and taking additional measures.</p> <p>Adequate job preparation includes covering or discussing Utility Procedure TD-4150P-202 processes, especially the AOCs and stop work criteria, during the tailboard briefing or before starting work. If PG&E had completed these steps, this may have prevented the injury from happening.</p>
Prior history of similar violations	<p>SED’s incident investigations have found that PG&E failed to meet the requirements of GO 112-F, referenced Title 49 CFR Part 192 §192.605(a) on at least three other occasions. Examples include:</p> <ul style="list-style-type: none">• G20130830-01 - PG&E violated GO 112-F, referenced Title 49 CFR §192.605(a) by failing to comply with PG&E procedure TD-4413P-01 and notifying the CPUC within ½ hour after it became aware of a reportable incident.



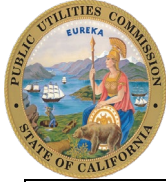
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	<p>PG&E failed to notify the gas operating engineer of unusual survey findings, as required by PG&E procedure S4110. PG&E failed to take further action after discovery of an exposed pipe during a leak survey, as required by PG&E procedure S4112. An exposed pipeline was struck during weed control activities, resulting in a release of gas.</p> <ul style="list-style-type: none">○ NOPV issued on 2/20/2015. As corrective actions, PG&E updated procedure TD-4413P-01-F01 for determining if a gas event has met the CPUC reporting requirements.● G20141107-01 - PG&E violated GO 112-F, referenced Title 49 CFR §192.605(a) by failing to perform a field mark or reach an alternative agreement with the excavator, as required by PG&E procedure TD-5811M. A gas pipeline was struck during excavation activities, resulting in a release of gas.<ul style="list-style-type: none">○ NOPV issued on 5/27/2015. PG&E did not agree with the probable violation and did not take corrective actions.● G20170703-2281 - PG&E violated GO 112-F, referenced Title 49 CFR §192.605(a) by failing to confirm that relief valves were set to the correct pressure by physically testing, as required by PG&E procedure TD-4430P-02. An incorrect valve setting caused a relief valve to release 3.1 million cubic feet of natural gas.<ul style="list-style-type: none">○ NOPV issued on 12/21/2017. PG&E provided additional records which indicate the relief valves were tested and calibrated. SED determined that the documents adequately demonstrated compliance.
Self-reporting of the violation	N/A



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Financial resources of the utility	Approximately 4.6 million gas customers, \$7.0 billion gas revenue in 2023.
The totality of the circumstances	<p>Aggravating factors include:</p> <ul style="list-style-type: none"> The injury to the PG&E employee necessitating in-patient hospitalization. <p>Mitigating Factors include:</p> <p>PG&E took the following corrective actions after the incident:</p> <ol style="list-style-type: none"> 1. Provided its employees with virtual refresher training sessions on the Mueller Line Stopper process to reinforce the use of Personal Protective Equipment (PPE) in the event of an AOC. These videos will be profiled annually along with the Operator Qualification (OQ) written examination. Per ACE report, the correction action is expected to be implemented by April 30, 2024. 2. Rolled out Streams application videos from Methods and Practices for proper use of Mueller devices as it pertains to applicable standards. Per ACE report, the correction action is expected to be implemented by March 29, 2024. 3. Revised the PPE Matrix for Tapping and Plugging to require the use of appropriate PPE upon identification of an AOC. Per ACE report, a new revision of the matrix is expected to be implemented by May 30, 2024. <p>Circumstantial factors include:</p> <ul style="list-style-type: none"> PG&E self-reported this incident to the Department of Transportation (DOT) and the CPUC due to a release of gas resulting in an injury requiring hospital admission and at least one overnight stay.
The role of precedent	SED has previously issued Notices of Probable Violations to PG&E for failure to follow its procedures on three other occasions as described above in the “Prior History of Similar Violations” section. However, in this incident, an injury was associated with



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	<p>PG&E's failure to follow its Utility Procedure TD-4150P-202.</p>
<p>Resultant Citation Taking All Of These Factors Into Account</p>	<p>The penalty is \$100,000.00 (One hundred thousand dollars).</p> <p>The per day penalty in this case is a maximum of \$100,000 per day and a minimum of \$500 per day for each violation under California Public Utilities Code Section 2107 (applicable at the time the incident occurred). M-4846 and D.16-09-055 provide the factors to apply to determine the appropriate penalty within that range, which are discussed in this citation analysis section. SED applies these factors and assesses a maximum penalty of \$100,000 for the alleged violation.</p>



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RESPONSE:

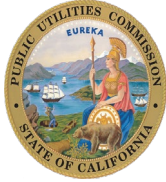
Respondent is hereby called upon to provide a response to this Citation by: **5:00 PM (PST) on February 10, 2025**. By way of such response Respondent, **within 30 calendar days**, must either pay the amount of the penalty set forth in this citation,¹ or appeal² the citation. In addition, Respondent must do one of the following:

- (1) For violations constituting immediate safety hazards: Respondent must immediately correct the immediate safety hazards.
- (2) For violations that do not constitute immediate safety hazards: Violations that do not constitute immediate safety hazards must be corrected within 30 days after the citation is served. If said violations that do not constitute immediate safety hazards cannot be corrected within 30 days, then the Respondent must submit a detailed Compliance Plan to the Director of SED within 30 days after the citation issues, unless the utility and the Director of SED, before the expiration of the 30 day period, agree in writing to another date, reflecting the soonest that the Respondent can correct the violations. The Compliance Plan must provide a detailed description of when the violation will be corrected, the methodology to be utilized, and a statement supported by an declaration from Respondent's Chief Executive Officer or appropriate designee (CEO Declaration) stating that in the Respondent's best judgment, the time that will be taken to correct the violation will not affect the safety or integrity of the operating system or endanger public safety.

Note: Respondent will forfeit the right to appeal the citation by failing to do one of these two options outlined in the Response above within 30 days. Payment of a citation or filing a Notice of Appeal does not excuse Respondent from curing the violation. The amount of the penalty may continue to accrue until a Notice of Appeal is filed. Penalties are stayed during the appeal process. A late payment will be subject to a penalty of 10% per year, compounded daily and to be assessed beginning the calendar day following the payment-due date. The Commission may take additional action to recover any unpaid fine and ensure compliance with applicable statutes and Commission orders.

¹ For fines paid pursuant to Pub. Util. Code § 2107 and D.16-09-055, Respondent shall submit a check payable to California Public Utilities Commission using the attached Citation Payment Form. Upon payment, the fine will be deposited in the State Treasury to the credit of the General Fund and this citation will become final.

² Respondent may Appeal this citation by completing and submitting a Notice of Appeal Form. Please see the attached document, "Directions For Submitting An Appeal To A Citation Issued Pursuant To Decision 16-09-055" for information on the appeals process and the attached "Notice of Appeal Of Citation Form."



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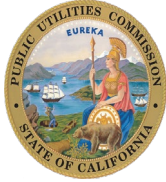
NOTIFICATION TO LOCAL AUTHORITIES:

As soon as is reasonable and necessary, and no later than 10 calendar days after service of the citation is effected, Respondent must provide a notification to the Chief Administrative Officer or similar authority in the city and county where the violation occurred. Within 10 days of providing such notification, Respondent must serve an affidavit to the Director of SED, at the mail or e-mail address noted below, attesting that the local authorities have been notified; the date(s) for when notification was provided; and the name(s) and contact information for each local authority so notified.

The CPUC expects the Operator to take actions, as soon as feasible, to correct, mitigate, or otherwise make safe all violations noted on the Citation regardless of the Operator's intentions to accept or appeal the violation(s) noted in the Citation.

Lee Palmer, Director
Safety and Enforcement Division

California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Leslie.Palmer@cpuc.ca.gov



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CITATION PAYMENT FORM

I (we) _____ hereby agree to comply with this citation dated _____, and have corrected/mitigated the violation(s) noted in the citation on _____ and no later than _____, all work to make permanent corrections to any mitigated, or otherwise remaining concerns related to the violation(s) will be completed as noted in the Compliance Plan we have submitted to the Director of SED and, herewith, pay a fine in the amount of \$ _____ as included in the citation.

Signature of Gas Corporation's Treasurer,
Chief Financial Officer, or President/Chief
Executive Officer, or delegated Officer thereof

(Signature) (Date)

(Printed Name and Title)

Payment must be with a certified check or wire transfer payable to the **California Public Utilities Commission** and sent to the address below. Please include the citation number on the memorandum line of the check to ensure your payment is properly applied.

California Public Utilities Commission
Attn: Fiscal Office
505 Van Ness Avenue
San Francisco, CA 94102-3298

NOTE: A copy of the completed Citation Payment Form must be sent to the Director of the Safety and Enforcement Division, via email or regular mail, to the addresses provided on the Citation.



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**DIRECTIONS FOR SUBMITTING AN APPEAL TO A CITATION
ISSUED PURSUANT TO RESOLUTION 16-09-055**

Within 30 calendar days of the Respondent being served with a **CITATION ISSUED PURSUANT TO RESOLUTION 16-09-055**, Respondent may appeal the citation. Beyond 30 calendar days of being served with the citation, Respondent is in default and, as a result, is considered as having forfeited rights to appeal the citation. The Respondent must still correct the violation(s) as instructed in the Response section of this citation.

To appeal the citation, Appellant must file a Notice of Appeal (including a completed title page complying with Rule 1.6 of the Commission's Rules of Practice and Procedure, and attached Notice of Appeal Form) along with copies of any materials the Appellant wants to provide in support of its appeal with the Commission's Docket Office **and** must be served, at a minimum, on

- 1) The Chief Administrative Law Judge (with an electronic copy to: [ALJ Div Appeals Coordinator@cpuc.ca.gov](mailto:ALJ_Div_Appeals_Coordinator@cpuc.ca.gov)),
- 2) The Director of Safety and Enforcement Division
- 3) The Executive Director
- 4) General Counsel
- 5) The Director of the Public Advocates Office at the California Public Utilities Commissions

At the address listed below within 30 calendar days of the date on which the Appellant is served the Citation at the address listed below. The Appellant must file a proof of service to this effect at the same time the Appellant files the Notice of Appeal. The Notice of Appeal must at a minimum state: (a) the date of the citation that is appealed; and (b) the rationale for the appeal with specificity on all grounds for the appeal of the citation.

***California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Attn: Lee Palmer***

NOTE: Submission of a *Notice of Appeal Form* in no way diminishes Appellant's responsibility for correcting the violation described in the citation, or otherwise ensuring the safety of facilities or conditions that underline the violations noted in the Citation.

Ex Parte Communications as defined by Rule 8.1(c) of the Commission's Rules of Practice and Procedure, are prohibited from the date the citation is issued through the date a final order is issued on the citation appeal.



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After receipt of the Appellant's *Notice of Appeal Form*, a hearing will be convened before an Administrative Law Judge. At least ten days before the date of the hearing, the Appellant will be notified and provided with the location, date, and time for the hearing. At the hearing,

- (a) Appellant may be represented by an attorney or other representative, but any such representation shall be at the sole expense of the Appellant;
- (b) Appellant may request a transcript of the hearing, but must pay for the cost of the transcript in accordance with the Commission's usual procedures;
- (c) Appellant is entitled to the services of an interpreter at the Commission's expense upon written request to the Chief Administrative Law Judge not less than five business days prior to the date of the hearing; and
- (d) Appellant may bring documents to offer in evidence (Rule 13.6 (Evidence) of the Commission's Rules of Practice and Procedure applies) and/or call witnesses to testify on Respondent's behalf. At the Commission's discretion, the hearing in regard to the Appellant's appeal can be held in a hearing room at either of the offices of the CPUC at the following locations:

San Francisco:

505 Van Ness Avenue
San Francisco, CA 94102

Los Angeles:

320 West 4th Street, Suite 500
Los Angeles, CA 90013

The hearing(s) held in regard to the Appellant's appeal will be adjudicated in conformance with all applicable Public Utilities Code requirements.



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Notice of Appeal Form
Appeal from Citation issued by Safety and Enforcement Division
(Pursuant to Decision 16-09-055)

Appellant:

Mr. Austin Hastings
Vice President, Gas Engineering
Pacific Gas & Electric Company
6121 Bollinger Canyon Road
San Ramon, CA 94583

Citation Date: January 10, 2025
Citation #: D.16-09-055 G.25-01-001
Utility/Operator ID#: 15007
Appeal Date: _____

“Appeal of _____ from _____ issued by Safety and
[Utility/Operator Name] [Citation Number] Enforcement Division”

Statements supporting Appellant’s Appeal of Citation (You may use additional pages if needed and/or attach copies of supporting materials along with this form).



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Enclosures to Accompany Utility Appeal

Utility to add Enclosures as appropriate