RESPONSE TO THE CPUC AUDIT FINDINGS OF RUSSELL CITY ENERGY CENTER

AUGUST 26 – AUGUST 29, 2024 (AUDIT NUMBER GA2024-25RC)

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I. INTRODUCTION

Russell Energy Center, LLC ("RCEC" or the "Plant")[1] appreciates the opportunity to respond to the *California Public Utilities Commission ("CPUC") Audit Findings of Russell Energy Center August 26 - August 29, 2024* ("Audit Report"). The Audit Report addresses RCEC's compliance with General Order 167-B ("GO 167"), including related Operation, Maintenance, and Logbook Standards. The Audit Report presents "Findings" from the audit conducted by the Commission's Electric Safety and Reliability Branch ("ESRB") on August 26 through 29, 2024 (the "Audit"). As part of the Audit, RCEC responded to numerous information and data requests from ESRB. RCEC produced several hundreds of documents in advance of the Audit and spent multiple days with the ESRB team at the facilities, including reviewing additional voluminous documents and data on-site.

The Audit Report contains 24 Findings, which allege potential violations of GO 167 requiring corrective action. While RCEC disagrees that any of these Findings constitute potential violations of GO 167, RCEC has taken appropriate action to address the issues identified in the Audit Report. None of the purported issues identified in the Findings pose a significant risk to safety or reliability.

The purpose of GO 167 is:

> to maintain and protect the public health and safety . . ., to ensure that electric generating facilities are effectively and appropriately maintained and efficiently operated, and to ensure electrical service reliability and adequacy.[2]

In addition to the Operation, Maintenance, and Logbook Standards in GO 167, the California Electric Generation Facilities Standards Committee ("Committee") has published recommended guidelines for Generating Asset Owners seeking to comply with GO 167 ("GO 167 Guidelines").[3] The Committee encouraged Generating Asset Owners to use discretion when implementing the GO 167 Guidelines at their unique facilities, and explained that it "does not intend the [GO 167 Guidelines] to be enforceable [because] there may be reasonable ways of meeting a particular [GO 167 Standard] that do not follow every provision of the associated guidelines."[4] The Committee

[1] RCEC's participation in this GO 167 audit is purely voluntary and RCEC expressly reserves all rights to assert any privilege or objection to additional requests for information. RCEC also expressly reserves all rights to challenge the legality and applicability of California Public Utilities Code Section 761.3 and the implementation of such statue by the Commission or any other agency or instrumentality of the State of California.

[2] GO 167, § 1.

[3] *See* Operation Standards and Recommended Guidelines for Generating Asset Owners, Adopted by the California Electric Generation Facilities Standards Committee on October 27, 2004 (the "Guidelines").

[4] *Id*. at 7.

also cautioned that "failure to meet a guideline should not be taken, per se, as a failure to meet the associated [GO 167 Standard]."[5]

RCEC appropriately uses its discretion to implement operation, maintenance and safety programs that work most effectively given RCEC's unique design and permit limitations. Many of the Findings in the Audit Report are not violations of GO 167 because they relate to issues in which RCEC's management has exercised discretion to implement predictive and preventive maintenance, safety mechanisms, and programs which are appropriate for RCEC, consistent with prudent industry practices and standards, and consistent with the general guidelines set forth in the Operation and Maintenance Standards.

Consistent with the GO 167 Maintenance Standards ("MS"), RCEC prioritizes maintenance activities with regard to the impact on safety, reliability, and efficiency,[6] and works closely with Original Equipment Manufacturers ("OEMs") and outside consultants.[7] [redacted]

Corrective, preventive, and predictive maintenance are also a critical part of RCEC's overall safety program. RCEC has established a work environment and implemented policies and procedures that foster a culture of safety. [redacted] RCEC takes a systematic approach to environmental and safety training and has an established training program to reinforce safety practices and expected behavior that all workers are required to complete.

In addition, RCEC has established procedures to ensure safety-related information is timely disseminated and all employees have access to such information. [redacted]

To ensure RCEC and all Calpine power plants continue to operate safely, [redacted]

[5] *Id.*

[6] *See* MS-7, Assessment Guideline A.

[7] *See* MS-7, Assessment Guideline D.

[redacted]

Notwithstanding the tremendous amount of time, effort, and resources that are committed to ensuring RCEC operates in a safe, reliable, and efficient manner, RCEC also promotes an environment of continuous improvement and engages in an ongoing and systematic effort to update and further enhance overall safety, operations, and maintenance at the RCEC. It is within this context that RCEC has reviewed the Audit Report.

RCEC has completed or has scheduled corrective maintenance to address issues raised in the Audit Report. In all cases, however, none of the issues addressed in the Audit Report posed a significant risk to worker safety or RCEC's reliability.

II. RESPONSE TO FINDINGS

Response to Finding 1: RCEC promptly secured the [redacted] cover.

The Audit Report noted that a [redacted] cover was ajar.[8] The [redacted] cover had been opened to allow operators to conduct a visual inspection of [redacted] in connection with maintenance work that was ongoing during the Audit. The [redacted] cover was promptly shifted back into place once it was identified as ajar. The Plant has since reinforced its operational and safety practices as well as refreshed the confined space labeling.

Response to Finding 2: RCEC ensures the adequate provision and operation of effective emergency response equipment.

The Audit Report noted concerns with the emergency personal protective equipment ("PPE") lockers.[9] All RCEC personnel are provided with training and personally fitted PPE before being allowed to handle any chemicals. In addition to these measures, emergency PPE are also provided at certain locations at the site. The emergency PPE cabinets showed some surface rust due to exposure to the elements. The Plant has since replaced the emergency PPE cabinets with new [redacted] storage units less prone to corrosion.[10] Additionally, the emergency PPE and safety data sheets ("SDS") have been refreshed and placed in the new storage containers. Finally, a [redacted] preventive maintenance ("PM") plan has been implemented to inspect emergency PPE and SDS.[11]

Response to Finding 3: The Plant prioritizes routine inspections and prompt repair or replacement of its equipment.

The Audit Report raised concerns with a [redacted] and certain [redacted] inspections.[12] RCEC has a [redacted] PM plan for the inspections of [redacted] As noted in the Audit Report, the Plant was conducting its [redacted] inspections for [redacted] during the week of the Audit.[13] Additionally, all of the inspection stickers that the Audit Report identified as "missing" were either inapplicable or completed. There are multiple inspection stickers on the equipment so thus to review the most recent inspection, the correct sticker must be identified and reviewed.[14]

1. As explained during the RCEC Audit, RCEC was in the middle of its [redacted] inspection. The [redacted], in Figure 5, was inspected on [redacted] and marked by the operator that it could not be signed off as operational due to an issue with the [redacted].[15] Accordingly, a work order was promptly generated to address the issue and the [redacted] was replaced on [redacted].[16] There will always be

[8] Audit Report, at 1.

[9] Audit Report, at 2.

[10] *See folder*, Response 2.

[11] *See folder*, Response 2 ([redacted]).

[12] Audit Report, at 4.

[13] Audit Report, at 4.

[14] As illustrated in the photos, the stickers state [redacted]

[15] *See folder*, Response 3 ([redacted]).

[16] *See folder*, Response 3 ([redacted]).

ongoing maintenance with respect to various equipment and systems. The existence of repairs, scheduled repairs, and other routine maintenance is not a violation of GO 167-B. Indeed, this item illustrates the effectiveness of RCEC's [redacted] inspections.

2. A [redacted] test is inapplicable to a [redacted]. Figure 6 identifies a [redacted] that contains older inspection stickers that incorrectly punctured the "[redacted]" box of the sticker.[17] As shown by the inspection sticker at the top of the [redacted], in Figure 6, the [redacted] was inspected [redacted] by a qualified vendor.[18]

3. The [redacted] identified in Figure 7 was also inspected [redacted], as indicated by the top inspection sticker in the figure.[19] The [redacted] inspection covers both the [redacted] and associated [redacted] (i.e., there is no separate sticker for the [redacted] itself).

4. Figure 8 identifies [redacted] on the left and a [redacted] on the far right side of the image.[20] As discussed above, each [redacted] was inspected and labeled in [redacted]. The [redacted] stickers can be seen in Figure 8 however, closer photos are also being provided.[21] Similarly, the [redacted] identified, in Figure 9, was inspected and labeled in [redacted].[22]

Response to Finding 4: RCEC continuously strives to improve its housekeeping practices.

The Audit Report identified various housekeeping items at the Plant.[23] Depending upon the timing of an audit, there will always be ongoing maintenance with respect to various equipment and systems. Such ongoing maintenance is not an indication of a violation of GO 167-B. During the Audit, RCEC promptly addressed the debris and covers in Figures 10-11 and 16-17.[24] RCEC has a [redacted] PM to address general housekeeping. The water identified in Figure 12 was also removed by the Plant. To the extent increased water accumulation in this area persists, RCEC will assess other options for improving drainage in the area. The Plant has addressed the spider webs identified in Figure 13 and 14.[25] RCEC has also developed an [redacted] PM to inspect and clean spider infestations.[26] Further, RCEC currently has an exterminator that comes out [redacted] and has since added spiders to the scope of that work as well. The Plant employs a third-party contractor for bird control that comes out to the site [redacted] to deploy deterrents. Cleaning of the area is also completed at least [redacted]; however, there will always be some amount of bird

[17] Audit Report, at 5.

[18] *See folder*, Response 3.

[19] *See folder*, Response 3.

[20] Audit Report, at 6.

[21] *See folder*, Response 3.

[22] *See folder*, Response 3.

[23] Audit Report, at 7-14.

[24] *See folder*, Response 4.

[25] *See folder*, Response 4.

[26] *See folder*, Response 4 ([redacted]).

droppings between services. Further, there has been no indication that an elevated risk of histoplasmosis exists at the site. Lastly, the Plant has addressed the oil leaks on Figures 18 and 19 and the oil containment bin has been replaced.[27]

Response to Finding 5: RCEC personnel are adequately trained and equipped to handle the hazards of chemicals in their work area.

The Audit Report notes issues with the [redacted] of the [redacted].[28] All RCEC operators are provided training on [redacted] sanitation and safety practices. The [redacted] also serves as the [redacted] with human machine interface ("HMI"). Thus, while a technician is required to wear safety glasses when running [redacted] they are not required to wear safety glasses when operating the HMI. The technician ESRB observed during the Audit, removed their safety glasses while operating the computer, not while running [redacted]. Lastly, RCEC has also ensured that First Aid and Chemical Spill Kits have been added in the [redacted] and the [redacted] counters in Figures 20 and 21 have been cleaned.[29]

Response to Finding 6: RCEC ensures the adequate provision and operation of effective emergency response information and equipment.

The Audit Report identifies information, such as [redacted], it believes is missing from RCEC's Visitor and Contractor Safety Video.[30] However, the safety video does address the importance of the [redacted]. Further, the safety orientation video is just one method RCEC utilizes to provide contractors and visitors with pertinent information. A video containing all potential safety concerns that may not be relevant to some contractors would lead to a long and ineffective video. Instead, RCEC supplements the safety video with other methods tailored to the work the contractor is performing on site. For example, information on the use of [redacted] is included in the [redacted], along with other information relevant to the contractor's specific work. Also note that as a commercially operated plant, RCEC is not required to have a [redacted] like active construction sites, thus is not relevant to the RCEC safety video.

Response to Finding 7: RCEC conducts maintenance in an effective and efficient manner to ensure reliable and safe equipment performance.

The Audit Report notes temporary maintenance solutions to equipment issues, in Figures 22 through 24.[31] RCEC prioritizes the safe, reliable, and efficient operation and performance of its facilities.

[27] *See folder*, Response 4.

[28] Audit Report, at 14.

[29] *See folder*, Response 5.

[30] Audit Report, at 16.

[31] Audit Report, at 16-18.

1. The temporary label in Figure 22 was used to denote [redacted], as illustrated by the label. The temporary label was removed.[32]

2. Figure 23 identified plastic bags around the [redacted] and [redacted]. As explained during the Audit, the bags were exclusively used for [redacted] purposes and not as a permanent solution to any issue with the [redacted] system. The Plant addressed the issue with the [redacted] system and removed the bags during the audit.[33]

3. The [redacted] in Figure 24 is not a temporary solution. The [redacted] is part of the OEM's original design.[34] Some filters, including [redacted], are equipped with a [redacted] as part of their design to facilitate maintenance and operation. Specifically, the [redacted] on a [redacted] is an integral component, allowing operators to safely and efficiently lift the [redacted] or element during servicing. The safe and efficient removal/opening of the [redacted] is critical for tasks such as replacing [redacted] media or conducting internal inspections. This design feature ensures the process is ergonomic, minimizes manual effort, and enhances safety by reducing the risk of damage to the equipment or injury to personnel.

Response to Finding 8: RCEC conducts routine inspections to maintain and operate equipment and systems efficiently.

The Audit Report notes alarm panels and [redacted] with system alarms.[35] RCEC routinely inspects equipment, indicators, and alarms in a timely and organized manner.

1. Prior to the Audit, the Plant generated a work order placing the [redacted], shown in Figure 25, out of service due to a [redacted].[36] The Plant is coordinating with the [redacted] to install a new [redacted] and bring the [redacted] back online, which requires an outage to complete. The Plant anticipates completing the installation during the [redacted] outage. In the interim, RCEC has reverted back to the original source of [redacted] through the use of [redacted].

2. The [redacted] and [redacted] alarms, in Figures 26 and 27, are inspected and tested regularly by a qualified contractor, however, the Plant has been experiencing intermittent issues with [redacted]. RCEC's [redacted] alarm system vendor has been out on several occasions to work on the panel and is coordinating with a third-party contractor to investigate the issue. The Plant has generated a work order and will continue to actively troubleshoot and identify issues as they develop.[37]

[32] *See folder*, Response 7.

[33] *See folder*, Response 7.

[34] *See folder*, Response 7.

[35] Audit Report, at 19-22.

[36] *See folder*, Response 8 ([redacted]).

[37] *See folder*, Response 8 ([redacted] and [redacted]).

3. Figure 28 notes [redacted] and [redacted] alarms that were activated.[38] As designed, these [redacted] and [redacted] alarms are activated during startup and shutdown. While activation displays locally on the panel, continuous [redacted] monitoring data from the [redacted] is sent to the Plant's [redacted] system. Regardless of the alarm on the local panel, the [redacted] will continue to set and reset the alarm and continue to actively indicate any [redacted] issues. Thus the primary monitoring capabilities of this unit continue to function even with the local indication of alarm. While the local alarm does not impact the function of the system, RCEC has modified its procedures to include [redacted] the [redacted] and [redacted] alarms.

4. The Audit Report notes that [redacted] lights are illuminated and need to be inspected.[39] In Figure 29, the alarm for [redacted] was activated on the field panel. Alarms were not ignored, as the system was not in operation at the time due to the [redacted]. The panel's indicator illuminates after a [redacted] and the alarms must be addressed to [redacted] the system. Also, please note that the two images in Figure 29 are of the same panel ([redacted]), with just a different focus on the panel.[40]

5. Figure 30 identifies the [redacted] indicator was activated. During the [redacted], all [redacted] valves are closed, and individual [redacted] valves close [redacted] later to prevent [redacted]. [redacted] indication alarms are expected during this process. As explained during the audit, the system operates on a demand basis and can startup and shutdown [redacted]. All alarms are received in the [redacted] and are cleared by operators before the system [redacted]. Accordingly, RCEC has since cleared the alarms.[41]

6. Figure 31 identifies that the [redacted] control has an active alarm. The Plant's [redacted] system has passed all necessary testing parameters and is operating normally. As discussed during the Audit, the illuminated indicator was not due to a fault in the system and is not classified as an alarm. The indicator is informational, designed to notify and remind operators that the [redacted] feature was disabled and [redacted] must be performed [redacted].[42] Since the [redacted] serves as the final line of defense for [redacted] protection, after the [redacted], it is typical to disable the [redacted] feature to ensure uninterrupted operation during an emergency. Doing so prevents the [redacted] from inadvertently [redacted] due to minor faults or non-critical issues, which could compromise [redacted] suppression capabilities.

Response to Finding 9: RCEC institutes adequate measures to ensure workplace safety.

The Audit Report states, "[a]isles in the [redacted] and platform elevation changes around RCEC must be made compliant with regulations."[43] Specifically, Figures 32 and

[38] Audit Report, at 21.

[39] Audit Report, at 21.

[40] *See folder*, Response 8.

[41] *See folder*, Response 8.

[42] *See folder*, Response 8.

[43] Audit Report, at 23.

33 note missing markings on curbs and platforms. However, the walkways do not lack proper definition and there is no indication that the areas have become hazardous. While RCEC disagrees that the curbs in Figures 32 and 33 are not compliant with OSHA or Cal/OSHA standards, the Plant has taken extra steps to paint the identified areas.[44] Additionally, the [redacted], in Figures 34 and 35, were removed.[45] The Plant has also secured the chain and clearly marked the instrument display identified in the [redacted] area.[46]

Response to Finding 10: The Plant adequately monitors and maintains effective and efficient equipment operations.

The Audit Report notes various equipment exhibiting signs of leakage.[47] There will always be ongoing maintenance with respect to various equipment and systems. The existence of repairs, scheduled repairs, and other routine maintenance is not a violation of GO 167-B. However, RCEC has diligently addressed all the items identified in the Audit Report, including:

1. The Plant retightened the [redacted] on the valves and the [redacted] to stop the leaks identified in Figures 36, 37, and 41.[48] The [redacted] valve and [redacted] valve have been rebuilt which has corrected the leaking in Figure 39.[49] The Plant has also corrected the leaking mentioned in Figures 40, 43, and 45.[50]

2. Figure 38 notes that the [redacted] is leaking water. Upon inspection, the Plant found no active leak coming from the [redacted]. The residual water on the ground came from a loose [redacted] which has since been restored and the area cleaned.[51]

3. Figure 42 identifies a leak at [redacted] pump. An outage is needed to replace a [redacted] on the unit. In the interim, the OEM has advised the Plant it is safe to operate and the Plant will also monitor the leak [redacted].[52] Currently, there is minimum leakage when the pump is in service. The Plant anticipates completing the repair in [redacted].

4. Figure 44 identifies liquid discharge under the [redacted] pump. As explained during the Audit, there is no active leak from the [redacted] pump. The liquid discharge was water overflow from a clogged [redacted]. The [redacted] was cleaned out during the Audit and overflow has stopped.[53]

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[44] *See folder*, Response 9.

[45] *See folder*, Response 9.

[46] *See folder*, Response 9 ([redacted]).

[47] Audit Report, at 26.

[48] *See folder*, Response 10 ([redacted]).

[49] *See folder*, Response 10.

[50] *See folder*, Response 10.

[51] *See folder*, Response 10.

[52] *See folder*, Response 10 ([redacted]).

[53] *See folder*, Response 10.

5. Figure 46 depicts standing water under equipment. During [redacted] the [redacted] can sometimes overflow with water while draining and spill over. While not a risk to reliability or the equipment's efficiency, the Plant will address the potential for a slip and fall hazard in [redacted] by creating a [redacted] or [redacted] on the [redacted] to mitigate spillage.[54]

6. Figure 47 notes leaks at the base of the [redacted] basin. Prior to the Audit, the Plant had a work order in place and had already taken steps to address the leak.[55] Due to the equipment's unique design, the Plant will need to employ specialized help in locating and repairing the leak. As the area is specifically designed to hold water, the Plant will continue to monitor the situation in the interim.

7. Figure 48 notes overflow from the [redacted] drain. The Plant has cleaned the area and generated a work order to modify the drain to avoid overflow.[56] The repair is expected to be completed during the [redacted] outage.

Response to Finding 11: RCEC effectively assesses and addresses corrosion to maintain reliable operation of equipment.

The Audit Report notes corrosion on certain equipment.[57] RCEC prioritizes critical maintenance and addresses preventive maintenance on an ongoing basis, while always keeping safety and reliability at the forefront. Corrosion (i.e., rust) is not by itself an indication of a safety or reliability risk nor does it indicate a violation of GO 167-B. As part of its preventive maintenance program, RCEC brings in a contractor to [redacted] corrosion and [redacted] based on corrosion severity, equipment integrity, and effects on equipment or plant availability.[58] The rust identified in the Audit Report is largely superficial and poses no significant risk to equipment integrity or reliability. The corrosion in Figure 55 was caused by a prior leak that has since been repaired. The Plant intends to clean and repaint the tank during the [redacted] outage while it changes out the [redacted] system.[59] RCEC has painted or re-coated all the remaining areas identified in the Audit Report.[60]

Response to Finding 12: The Plant adequately maintains operation of facilities, equipment, and tools.

The Audit Report notes various issues with the Plant's maintenance.[61] As mentioned above, there will always be ongoing maintenance with respect to various equipment and systems. The existence of repairs, scheduled repairs, and other routine maintenance is not a violation of GO 167-B. However, RCEC has diligently addressed all the items identified in the Audit Report, including:

[54] *See folder*, Response 10 ([redacted]).

[55] *See folder*, Response 10 ([redacted]).

[56] *See folder*, Response 10 ([redacted]).

[57] Audit Report, at 33-37.

[58] *See folder*, Response 11 ([redacted]).

[59] *See folder*, Response 11 ([redacted]).

[60] *See folder*, Response 11 ([redacted]).

[61] Audit Report, at 38-47.

1. The disconnected ground wire in Figure 57 was part of equipment that had been decommissioned. The ground wire was removed.[62]

2. The identified [redacted] covers in Figure 58 were installed during the Audit.[63] The Plant has also reinforced the importance identifying and promptly addressing such issues.

3. The [redacted] and [redacted] in Figure 59 and 60 have been replaced.[64]

4. The missing fastener, in Figure 61, has been replaced.[65] The [redacted] identified, in Figure 61, is not missing a U-Bolt. The system is designed so that [redacted] has a U-Bolt. [66] The Plant has also repaired the [redacted] in Figures 62 and 63.[67]

5. The hardware issues in Figures 64 and 71 have been installed or retightened.[68]

6. Figure 65 notes that a [redacted] box is damaged. However, the equipment displayed is a [redacted] for the [redacted] on the [redacted]. This piece of equipment improves efficiency but is not needed for reliability. RCEC has generated a work order and has contacted the OEM to obtain a new box cover.[69] The Plant anticipates completion in [redacted].

7. Figure 66 identifies non-working exit lights at the [redacted] and [redacted] and Figure 67 identifies a damaged door closer in the [redacted]. The Plant has generated a work order and is currently waiting on the parts for these repairs.[70] In the interim, the [redacted] and [redacted] areas contain other emergency exit signage. The Plant anticipates these repairs to be completed in [redacted].

8. The door threshold and emergency shower showed in Figure 68 have been repaired.[71]

9. Figure 69 incorrectly notes that [redacted] are broken. As explained during the Audit, those [redacted] are for [redacted] leak detection and were operational and calibrated. RCEC has an [redacted] PM for calibration and they were last calibrated on [redacted].[72]

10. Figure 70 identifies damaged insulation. Damage to insulation cladding or insulation does not necessarily impact the effectiveness of the insulation, as some insulation wear and tear

[62] *See folder*, Response 12.

[63] *See folder*, Response 12.

[64] *See folder*, Response 12.

[65] *See folder*, Response 12.

[66] *See folder*, Response 12.

[67] *See folder*, Response 12.

[68] *See folder*, Response 12.

[69] *See folder*, Response 12 ([redacted]).

[70] *See folder*, Response 12 ([redacted]).

[71] *See folder*, Response 12.

[72] *See folder*, Response 12 ([redacted]).

is expected. RCEC has an [redacted] PM to bring in a contractor to inspect and assess the equipment's insulation and make repairs.[73] The damaged insulation identified in the Audit Report is minor and in low risk areas; however, the Plant has since completed those repairs.[74]

11. The nuts and bolts identified in Figure 71 have been replaced.[75]

12. The loose [redacted], which was incorrectly identified as loose concrete in Figure 72, has been removed.[76] Note that the loose [redacted] does not impact the structural integrity of the foundation.

13. Figures 73 and 74 identify leaking from the [redacted] Prior to the Audit, the Plant had identified the issue and generated a work order to repair the [redacted] on the [redacted].[77] Due to the difficulty of the repair and need to [redacted] from the [redacted], the Plant plans to replace the [redacted] during its next [redacted] test scheduled outage in [redacted]. RCEC is working with a [redacted] contractor and closely monitoring the situation to ensure there are no impacts on operations and reliability. The area has been cleared and a [redacted] has been placed to aid visual inspections of oil seepage and prevent spillage on walkways.[78] Further, the Plant's [redacted] tests indicate there is no immediate concern that the [redacted] has been compromised.

14. The Audit Report notes a broken valve in the [redacted].[79] The valve has since been replaced.[80]

Response to Finding 13: RCEC promptly and properly stored equipment and tools.

The Audit Report notes housekeeping issues with the storage of equipment and tools.[81] As discussed during the Audit, the scaffolding in Figure 75 was erected in [redacted] during the [redacted] and [redacted] test for [redacted] inspection. After the test was completed in [redacted], the scaffolding was removed.[82] The Plant also secured and removed the scaffolding identified in Figure 76. The Plant has also promptly removed and stored the remaining materials identified in Figures 77 through 84.[83]

[73] *See folder*, Response 12 ([redacted]).

[74] *See folder*, Response 12.

[75] *See folder*, Response 12.

[76] *See folder*, Response 12.

[77] *See folder*, Response 12 ([redacted]).

[78] *See folder*, Response 12.

[79] Audit Report, at 47.

[80] *See folder*, Response 12.

[81] Audit Report, at 47-52.

[82] *See folder*, Response 13.

[83] *See folder*, Response 13.

Response to Finding 14: The Plant immediately removed and properly secured its fire equipment.

The Audit Report notes [redacted] fire [redacted] equipped with wrenches.[84] RCEC immediately removed and stored the wrenches.[85] As detailed in RCEC's Physical Security Site Plan, the Plant has numerous methods to prevent unauthorized access to the site and thus also mitigates concerns of unauthorized use of the fire [redacted].

Response to Finding 15: RCEC routinely inspects and addresses maintenance items.

The Audit Report notes an inactive LOTO tag left in the [redacted] boxes.[86] During the Audit, RCEC identified the LOTO was for a spare [redacted] that was no longer in use. The Plant removed the LOTO and an [redacted] equipment tag was hung on [redacted].[87] RCEC has also implemented PMs for [redacted] LOTO refresher trainings and [redacted] LOTO inspections and audits.[88]

Response to Finding 16: The Plant conducts routine inspections of equipment to ensure safe and reliable operations.

The Audit Report notes that [redacted] pipe hangers require maintenance and are missing hot and cold indicators.[89] RCEC follows a [redacted] that engages a [redacted] to conduct a full scope of the cold and hot status assessment on the covered piping system every [redacted]. The most recent one was completed in [redacted] for cold status and in [redacted] for hot status.[90] The [redacted] inspection report found the system to be in good general operating condition and concluded there were no items requiring immediate remediation for cold and hot status. Any minor items noted on the inspection report have a corresponding work order and will be addressed accordingly. A work order has also been generated for the missing hot and cold indicators identified in Figures 86 through 88.[91] RCEC anticipates that the hot and cold indicators will be installed during the [redacted] outage.

Response to Finding 17: RCEC constantly strives to ensure facilities are operating safely and effectively.

The Audit Report notes issues with the flammable storage cabinets.[92] The latching mechanism in Figure 89 was promptly repaired during the Audit.[93] RCEC has also cleaned and re-organized the

[84] Audit Report, at 53.

[85] *See folder*, Response 14.

[86] Audit Report, at 54.

[87] *See folder*, Response 15.

[88] *See folder*, Response 15 ([redacted] and [redacted]).

[89] Audit Report, at 55-56.

[90] *See* RCEC Response to Audit Information Request (August 16, 2024).

[91] *See folder*, Response 16 ([redacted]).

[92] Audit Report, at 57-58.

[93] *See folder*, Response 17.

cabinets in Figures 90 and 91.[94] As discussed above, depending upon the timing of an audit, there will likely always be ongoing repairs and maintenance with respect to various equipment.

Response to Finding 18: The Plant adequately monitors and maintains safe equipment operations.

The Audit Report notes storage concerns with the empty [redacted] tanks in Figures 92 through 94.[95] The [redacted] pack of [redacted] in Figure 92 is provided and delivered directly by the third party supplier with the restraints identified in the Audit Report. The third party supplier informed RCEC that the straps are made of a fireproof material called [redacted]. RCEC has also marked the area where the empty [redacted] are stored for pickup.[96] Lastly, the empty [redacted] identified in Figure 94 has been secured.[97]

Response to Finding 19: RCEC ensures the adequate provision and operation of effective emergency response equipment.

The Audit Report notes improvements to the SPCC.[98] The Plant has ensured that the [redacted] version of the SPCC contains a map identifying spill kit locations.[99] RCEC's [redacted] covers are stored in the [redacted], as detailed in [redacted] of the SPCC Plan. While the SPCC Plan mentions the [redacted] spill kit, there is no specific requirement for [redacted] to be included inside the kit. Figure 95's spill kit is stored within a [redacted] equipped with a valve, ensuring no environmental release would occur in the event of a spill.[100]

Additionally, the [redacted] in Figure 96 is not explicitly required by SPCC regulations, as they focus on oil discharge prevention. However, RCEC has placed the [redacted] and [redacted] near areas where [redacted] is used or stored to ensure they are readily available. The Plant has also added [redacted] to the [redacted].[101]

Response to Finding 20: RCEC continuously strives to improve its maintenance and housekeeping practices.

The Audit Report states that liquid dispensing systems are being used without proper grounding and the [redacted] result in surface and container cross contamination.[102] While RCEC has installed grounding, it disagrees that it is necessary given that the risk of static ignition is minimal as the [redacted] have a high flash point. Additionally, RCEC uses [redacted]

[94] *See folder*, Response 17.

[95] Audit Report, at 59-60.

[96] *See folder*, Response 18.

[97] *See folder*, Response 18.

[98] Audit Report, at 61-62.

[99] *See folder*, Response 18.

[100] *See folder*, Response 19.

[101] *See folder*, Response 19.

[102] Audit Report, at 63.

[redacted], over horizontal drum racks, to minimize potential spillage from the spigot's thread connection. Lastly, the Plant has cleaned the residue on the drums in Figure 99.[103]

Response to Finding 21: RCEC replaces and maintains proper signage and labeling.

The Audit Report incorrectly notes missing labels on drums and barrels of [redacted].[104] The barrels of [redacted] in Figure 101 are [redacted] stored in the [redacted] which is adjacent to, but not in, the [redacted] area. These barrels do not need an NFPA label, however the enclosure itself has appropriate NFPA signage. Further, these barrels are new and do have the required OEM's labels affixed to the opposite side of the barrels from what is shown in Figure 101.[105] The blue drum identified during the Audit had a label affixed to the opposite side of what is displayed in Figure 100.[106] RCEC has determined the drum was not needed and had the drum removed. For the reasons identified above, this finding did not present any serious safety or reliability risk and thus should not constitute a GO 167-B violation.

Response to Finding 22: RCEC routine installs and refreshes signage.

The Audit Report notes various signage around the facility that needs to be installed or refreshed.[107] Depending upon the timing of an audit, there will always be ongoing maintenance with respect to various Plant equipment and systems. Such ongoing maintenance includes refreshing faded signs that result from normal wear and tear. RCEC strives to foster an environment that actively and routinely identifies signage needing to be repaired or replaced. The Plant has a PM in place to address and inspect signage and labelling.[108] RCEC has also diligently replaced or refreshed all the other signage identified in Figures 102 through 115.[109] Lastly, Figure 105 incorrectly notes conflicting [redacted] labels on the same cabinet. The labels identified are for two different [redacted] and are not conflicting.

Response to Finding 23: The Plant identifies and repairs system and equipment to ensure reliable and safe operation.

The Audit Report notes that procedures for [redacted] and [redacted] equipment [redacted] need to be reinforced.[110] The old [redacted] have since been removed.[111] RCEC has also taken steps to reinforce the [redacted] system and requirements to remove completed [redacted].[112] Further, RCEC utilizes an [redacted] system to track ongoing maintenance.

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[103] *See folder*, Response 20.

[104] Audit Report, at 65-66.

[105] *See folder*, Response 21.

[106] *See folder*, Response 21.

[107] Audit Report, at 66-74.

[108] *See folder*, Response 22 ([redacted]).

[109] *See folder*, Response 22.

[110] Audit Report, at 74-75.

[111] *See folder*, Response 23 (*See* [redacted]).

[112] *See folder*, Response 23.

Response to Finding 24: RCEC promptly updates documentation to ensure accuracy and clarity.

The Audit Report states that Piping & Instrumentation Diagrams ("P&IDs") are missing the new [redacted] valves and a new [redacted] valve.[113] However, all the modifications related to the [redacted] event that occurred [redacted] had been properly reflected and updated on the P&IDs. [redacted] or [redacted] can be used to identify in progress work but is not typically utilized in final as-built drawings.

III. RESPONSE TO RECOMMENDATIONS

Response to Recommendation 1: [redacted] Emergency Exit Route.

As a point of clarification, the [redacted] contains [redacted] points of emergency egress. There is another [redacted] located between the [redacted] red arrows on the Audit Report Figure 117.[114] The Audit Report states that ESRB recommends installation of an additional route in "accordance with Cal/OSHA Title 8." However, the Title 8 provision the Audit Report references states that one stairway is necessary for buildings up to three stories and two or more for buildings taller than three stories. Given that RCEC's [redacted] has [redacted] points of emergency egress, it not only meets the Cal/OSHA standard identified but exceeds it.

Response to Recommendation 2: [redacted].

While the [redacted] may not be necessary, RCEC intends to add one to the [redacted] by [redacted].

[113] Audit Report, at 76.

[114] *See folder*, Recommendation 1.

Appendix A – Corrective Action Plan

Russell City Energy Center

Corrective Action Plan

The RCEC Energy Center ("RCEC") Corrective Action Plan ("Plan") outlines actions to address items identified in the *California Public Utilities Commission ("CPUC") Audit Findings of Russell City Energy Center August 26 – August 29, 2024* ("Audit Report"). As discussed in detail in RCEC's *Response to the 2024 Audit Report of Russell City Energy Center (Audit No. GA2024-25RC)* ("RCEC Response"), RCEC disagrees that any of the Audit Report's findings constitute "violations" of General Order 167-B ("GO 167"). Voluntary implementation of the corrective actions outlined below does not and should not be construed as assuming such actions are required by GO 167.

Audit Report Findings	Corrective Actions	Complete/Estimated Completion
Finding 1: Confined Space Procedure and Label	Secure access point and install new label	Complete
Finding 2: Personal Protective Equipment	Install new storage units, refreshed SDS, and institute preventative maintenance plan	Complete
Finding 3: Inspections	Replace equipment and verify equipment inspections are valid	Complete
Finding 4: Housekeeping	Remove trip and fall hazards, institute new preventative maintenance plan, and clean up excess material and debris	Complete
Finding 5: Safety Practices	Clean surfaces, organize area, and install safety and emergency response equipment	Complete
Finding 6: Contractor Safety Information	Verify safety information is adequate and available	Complete
Finding 7: Maintenance	Repair equipment	Complete
Finding 8: Alarms	Repair equipment and review, troubleshoot, and/or clear alarms	Complete Fig 25 – [redacted] Fig 26-27 – [redacted]

Audit Report Findings	Corrective Actions	Complete/Estimated Completion
Finding 9: Housekeeping	Remove trip and fall hazards	Complete
Finding 10: Leaks	Repair or replace equipment, clean areas, and monitor equipment	Complete Fig 42 – [redacted] Fig 46 – [redacted] Fig 47 – [redacted] Fig 48 – [redacted]
Finding 11: Corrosion	Investigate cause of leak and repaint equipment	Complete Fig 55 – [redacted]
Finding 12: Maintenance	Remove, repair, or install missing, and damaged equipment, hardware, and facilities	Complete Fig 65 – [redacted] Fig 66 – [redacted] Fig 73-74 – [redacted]
Finding 13: Housekeeping	Remove, secure, or store materials, tools, and equipment	Complete
Finding 14: Maintenance	Remove and secure wrenches	Complete
Finding 15: LOTO	Remove and replace tag	Complete
Finding 16: Pipe Hangers	Verify equipment is operational and refresh equipment indicators	Complete Fig 86-88 – [redacted]
Finding 17: Storage Cabinets	Repair and clean storage cabinets	Complete
Finding 18: Tank Storage	Secure and label equipment and areas	Complete
Finding 19: SPCC Kits	Update SPCC and install [redacted]	Complete
Finding 20: Liquid Dispensing System	Install [redacted] and review best practices	Complete
Finding 21: Labels	Remove drum and review material for valid labels and information	Complete

Audit Report Findings	Corrective Actions	Complete/Estimated Completion
Finding 22: Signage	Install or replace labels and signage	Complete
Finding 23: Maintenance Procedures	Remove old [redacted] and reinforce best practices with personnel	Complete
Finding 24: Piping and Instrumentation Diagrams	Review documentation	Complete
Recommendation 1: Emergency Exit	Review emergency exits	Complete
Recommendation 2: Emergency Equipment	Install equipment	[redacted]