

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 29, 2023

GI-2023-05-PGE-01-02ABC

Ms. Christine Cowsert
Senior Vice President
Gas Engineering
Pacific Gas and Electric Company
6121 Bollinger Canyon Road
San Ramon, CA 94583

SUBJECT: SED Closure Letter - General Order 112-F Gas Inspection of Pacific Gas & Electric Company's East Bay Division

Dear Ms. Cowsert:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (Commission) reviewed Pacific Gas & Electric Company's (PG&E) response letter dated July 18, 2023 for the findings identified during the General Order (GO) 112-F inspection of PG&E's East Bay Division (Division). The inspection took place between May 1-5 and May 8-12, 2023.

A summary of the inspection findings documented by SED, PG&E's response to our findings, and SED's evaluation of PG&E's response taken for each identified Violation and Area of Concern is attached.

This letter serves as the official closure of the 2023 GO 112-F inspection of PG&E's Division and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program or a formal proceeding.

If you have any questions, please contact Sikandar Khatri at (415) 703-2565 or by email at Sikandar.Khatri@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Dennis Lee".

Dennis Lee, P.E.
Program and Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

cc: Kristina Castrence, PG&E
Frances Yee, PG&E
Susie Richmond, PG&E Gas Regulatory Compliance
Sajjad Azhar, PG&E Gas Regulatory Compliance
Terence Eng, SED
Claudia Almengor, SED

Summary of Inspection Findings (Summary)

Dates of Inspection: May 1-5 and 8-12, 2023

Operator: PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Inspection Systems: Gas Distribution

Assets (Unit IDs) with results in this report: PG&E East Bay Division (86274)

System Type: GD

Inspection Name: 2023 PG&E East Bay Division Inspection

Lead Inspector: Sikandar Khatri

Operator Representative: Sajjad Azhar

Unsatisfactory Results

Maintenance and Operations : ROW Markers, Patrols, Leakage Survey and Monitoring (MO.RW)

Question Title, ID Distribution Patrolling, MO.RW.DISTPATROL.R (also presented in: PD.RW)

Question 9. Do records indicate distribution patrolling was conducted as required?

References 192.603(b) (192.721(a), 192.721(b))

Assets Covered PG&E East Bay Division (East Bay Division)

Issue Summary During SED's review of PG&E East Bay Division's distribution patrolling records, PG&E provided a list of "*distribution main mileage within earthquake fault uncertainty zones, including fault crossings*". PG&E has not evaluated the areas surrounding these mains for identifying potential patrolling locations.

Title 49 Code of Federal Regulations (CFR), §192.721(b) states in part, "*Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage must be patrolled ...*".

Therefore, PG&E is in violation of Title 49 CFR §192.721(b) for failing to patrol its mains per Title 49 CFR §192.721(b). PG&E shall evaluate/survey the locations listed to identify potential patrolling locations and conduct patrols in accordance with §192.721(b), as needed.

PG&E's Response:

PG&E utilizes a Dynamic Automated Seismic Hazard (DASH) system to detect when seismic activity has occurred and which locations within the system require patrolling and damage assessments. This includes not only the fault zones but other locations that may have sustained damage. Traditional observational based patrolling does not detect change accurately enough to identify small fault displacements known as aseismic "fault creep." PG&E is reviewing its pipe performance in fault zones and determining if a more effective monitoring methodology is available.

SED's Conclusion:

SED has reviewed the response and will follow up in the next inspection of East Bay Division's distribution system.

Concerns

Time-Dependent Threats : External Corrosion - CP Monitoring (TD.CPMONITOR)

Question Title, ID Correction of Corrosion Control Deficiencies, TD.CPMONITOR.DEFICIENCY.R

Question 13. Do records adequately document actions taken to correct any identified deficiencies in corrosion control?

References 192.491(c) (192.465(d))

Assets Covered PG&E East Bay Division (East Bay Division)

Issue Summary PG&E provided Cathodic Protection Area, "CPA Down" list which included assets with pipe-to-soil potential readings issues. According to PG&E, 364 assets are down, some of which are down for over 300 days. Three assets are still down after more than 887 days (such as Notification numbers 119956533, 119956583 and 119956770), some of which PG&E plans to remediate later this year. PG&E should address all CPA down assets as soon as possible and submit an updated status report.

PG&E's Response:

PG&E corrected the above mentioned down Cathodic Protection Area (CPA) assets under the PG&E Other Corrective Work (OCW) category. Please see details below.

Notification Number 119956533

OCW 125979346 was created to correct this CPA being down, and the read for this isolated main is -930 mv (within standards for protection).

Notification Number 119956583

OCW 125983223 was created to correct this CPA being down, and the read for this isolated main is -1088 mv (within standards for protection).

Notification Number 119956770

OCW 122242104 was created to correct this CPA being down. This location includes multiple reads. The reads were taken in 2022 and were all within standards of protection. See table below.

<i>Equipment Number</i>	<i>Read</i>	<i>Read Date</i>	<i>Equipment Number</i>	<i>Read</i>	<i>Read Date</i>
44295176	-1128	5/31/2022	42722476	-1302	5/31/2022
44295177	-868	5/31/2022	42051090	-1138	5/31/2022
44295178	-1078	5/31/2022	42722477	-960	5/31/2022
44295179	-1205	5/31/2022	42722478	-915	5/31/2022
44454123	-975	5/31/2022	42722479	-1228	5/31/2022
42051059	-1382	5/31/2022	42722480	-1255	5/31/2022
42722475	-888	5/31/2022	42722481	-1388	5/31/2022
42051155	-1075	5/31/2022	42722482	-965	5/31/2022

PG&E is in the process of addressing the remainder of the 364 assets mentioned above as part of the Cathodic Protection Investigation (CPI) project by end of 2023. Please note that the status of the CPI project is also communicated to SED through a bi-annual "PG&E Self-Identified Non-Compliance Notification - Corrosion Update Letter." The most recent update was provided to SED on April 14, 2023.

SED's Conclusion:

SED has reviewed the response and will follow up in the next inspection of East Bay Division's distribution system.