GAVIN NEWSOM, Governor

PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

December 9, 2024



GI-2024-09-PGE-08-01ABC

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

SUBJECT: General Order (GO) 112-F Gas Inspection of PG&E's San Jose Division

Dear Mr. Hastings:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC), Andrea Garcia Ruvalcaba, Paul Penney, Matthew Shaffer and Fariha Mir conducted a General Order 112-F inspection of Pacific Gas & Electric Company's (PG&E) San Jose Division (Division) from 9/30/24 - 10/11/24. The inspection included a remote review of the Division's operation and maintenance records for the years 2020 through 2023 (inclusive), and a field inspection of a representative sample of the Division's facilities. SED staff also reviewed the Division's operator qualification records, which included a field observation of randomly selected individuals performing covered tasks.

SED's findings are noted in the Post-Inspection Written Preliminary Findings (Summary) which is enclosed with this letter. The Summary reflects only those records and pipeline facilities that SED inspected. SED discovered three (3) probable violations and three (3) concerns 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 concerns noted in the Summary.

If you have any questions, please contact Andrea Garcia Ruvalcaba at (916)-906-0601 or by email at <u>andrea.garciaruvalcaba@cpuc.ca.gov</u>.

Sincerely,

Dennis Lee

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

Enclosure: Post-Inspection Written Preliminary Findings

cc: Mike Lang, PG&E Gas Regulatory Compliance Regulator Co Terence Eng, SED Jason McMillan, SED Claudia Almengor, SED

## Post-Inspection Written Preliminary Findings

Dates of Inspection: 9/30/24- 10/11/24

**Operator:** PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Inspection Systems: GD

Assets (Unit IDs) with results in this report: San Jose Division (85401)

System Type: GD

Inspection Name: PG&E San Jose Division

Lead Inspector: Andrea Garcia Ruvalcaba

**Operator Representative:** Michael Lang

### **Unsatisfactory Results**

#### Facilities and Storage : Facilities General (FS.FG)

Question Title, ID Vault Inspection, FS.FG.VAULTINSPECT.O

Question 4. Are inspections of selected vaults with internal volume =200 cubic feet (5.66 cubic meters) housing pressure regulating/limiting equipment adequate?

References 192.749(a) (192.749(b), 192.749(c), 192.749(d))

Assets Covered San Jose Division (85401 (8))

Issue Summary During the field inspection of gas facilities, SED observed the in-vault regulator station number DR H-89. The monitor vault is greater than 200 cubic feet, but there is no ventilation system within the vault.

Title 49, Code of Regulations (49 CFR) §192.749(a) states, "Each vault housing pressure regulating and pressure limiting equipment and having a volumetric internal content of 200 cubic feet (5.66 cubic meters) or more, must be inspected at intervals not exceeding 15 months, but at least once each calendar year, to determine that it is in good physical condition and adequately ventilated."

49 CFR §192.749(c) states, "The ventilating equipment must also be inspected to determine that it is functioning properly."

 $\mathsf{PG\&E}$  is in violation of 49 CFR §192.749(c) as the monitor vault for DR H-89 has no ventilation.

## Maintenance and Operations : Gas Pipeline Maintenance (MO.GM)

Question Title, ID Abandonment or Deactivation of Pipeline and Facilities, MO.GM.ABANDONPIPE.R

Question 2. Do records indicate pipelines and facilities were abandoned or deactivated in accordance with requirements?

References 192.709(c) (192.727(a), 192.727(b), 192.727(c), 192.727(d), 192.727(e), 192.727(f), 192.727(g))

Assets Covered San Jose Division (85401 (8))

Issue Summary SED reviewed a random sampling of abandonment projects provided by PG&E. SED reviewed the records of project number PM35130010 which replaced 321 feet of 3-inch wrought main. From the records provided, there was not any evidence that the pipeline was purged per 49 CFR §192.727(b).

49 CFR §192.709(c) states, "A record of each patrol, survey, inspection, and test required by subparts L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer." PG&E did not make a record of the purging of the deactivated main, which is a Maintenance activity in subpart M, and PG&E is in violation of 49 CFR §192.709(c).

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

Question Title, ID Interference Currents, TD.CPMONITOR.INTFRCURRENT.R

Question 21. Do records document an effective program is in place to minimize detrimental effects of interference currents and that detrimental effects of interference currents from CP systems on other underground metallic structures are minimized?

References 192.491(c) (192.473(a))

Assets Covered San Jose Division (85401 (8))

Issue Summary 49 CFR §192.473(a) states, " Each operator whose pipeline system is subjected to stray currents shall have in effect a continuing program to minimize the detrimental effects of such currents."

This item is regarding PG&E's response to SJ#49: Minimizing Stray Currents.

PG&E explained in their email:

"PG&E's CP monitoring is the heart of our (any operator's) interference program. PG&E doesn't have a dedicated mitigation program for the Distribution System, but that's only because we have not found widespread problems to mitigate. PG&E's corrosion mechanics are trained / qualified to recognize Abnormal Operating Conditions and react accordingly. The issues are found during routine monitoring and escalated to the Corrosion Engineering team for further evaluation and mitigation (as required)."

Since interference currents are known to exist on PG&E's transmission lines, GSRB staff believes that PG&E should develop a program for the distribution pipeline within the zone of influence of BART defined by PG&E for transmission pipelines.

### Concerns

#### **Time-Dependent Threats : Atmospheric Corrosion (TD.ATM)**

Question Title, ID Atmospheric Corrosion Monitoring, TD.ATM.ATMCORRODEINSP.O

Question 5. Do field observations indicate that pipe exposed to atmospheric corrosion is properly coated?

References 192.481(b) (192.481(c), 192.479(a), 192.479(b), 192.479(c), 192.481(d))

Assets Covered San Jose Division (85401 (8))

Issue Summary While PG&E was testing a low pressure relief valve, EQ#41241400, it was noted that there was tape wrap coming away from the pipe in the vault. In addition to potential atmospheric corrosion, the pipe could also be subject to water intrusion into the tape wrap if the vault filled up with water. This could hold water in place if there are holidays on the coating of the pipe and cause atmospheric corrosion; further, no pipe is holiday free.

49 CFR §192.481(b) states, "During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water."

SED recommends PG&E to re-coat the pipe and provide an update.

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

Question Title, ID Rectifier or other Impressed Current Sources, TD.CPMONITOR.CURRENTTEST.O

Question 8. Do field observations confirm impressed current sources are properly maintained and are functioning properly?

References 192.465(b)

Assets Covered San Jose Division (85401 (8))

Issue Summary In the field, SED observed PG&E technicians use a voltage measuring tool that had passed the calibration date while performing maintenance on rectifier EQ#41242506.

After SED asked to verify the calibration date, SED requested the tool be switched for one that was within the proper calibrated date.

SED requests that PG&E communicate their policies and procedures regarding calibration of multimeters to technicians, and incorporate the policies and procedures into existing regular trainings.

SED observed a rectifier (equipment ID 44341486) that is located between two driveways where it could be impacted by a vehicle.

SED recommends PG&E install some form of physical damage protection in front of EQ# 44341486.

#### **Time-Dependent Threats : Internal Corrosion - Preventive Measures (TD.ICP)**

Question Title, ID Repair of Internally Corroded Pipe, TD.ICP.REPAIRINT.R

Question 12. Do records document the repair or replacement of pipe that has been internally corroded to an extent that there is not sufficient remaining strength in the pipe wall?

References 192.491(c) (192.487, 192.489)

Assets Covered San Jose Division (85401 (8))

Issue Summary SED reviewed the A-forms for leak numbers 121721802 and 121722496 (DR 72). The records indicate that the cause of the leaks was internal corrosion although the pipe at both locations are Polyethylene (PE). Additionally, the PG&E personnel provided images of one of the pipes, which showed external corrosion of the riser, not internal corrosion. The PG&E personnel did not document the repair or replacement of externally corroded pipes correctly.

SED is concerned that incorrect documentation of the type and effect of corrosion can impact the repair of pipe, especially if the pipe is included in a widespread remediation program, like DIMP.

SED recommends PG&E to implement a refresher course or training to properly train employees to identify the correct corrosion and to fill the A-forms correctly.