

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 19, 2020

Ms. Christine Cowsert, Vice President
Pacific Gas and Electric Company
Gas Asset Management and System Operations
6121 Bollinger Canyon Road
San Ramon, CA 94583

SUBJECT: Closure letter for Notice of Probable Violations for Non-DOT (NOPV Non-DOT) Reportable incidents issued during the period of 2018Q3-Q4 and 2019Q1-Q2.

Dear Ms. Cowsert,

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (Commission) has reviewed the Pacific Gas & Electric Company's (PG&E) responses of February 11, 2020 to the Notice of Probable Violation forwarded to PG&E on January 14, 2020 for incidents that occurred during the quarters of Q3 & Q4 of 2018, and Q1 and Q2 of 2019.

A summary of findings documented by SED, PG&E's responses to SED's findings, and SED's evaluation and conclusion of PG&E's responses taken for each finding is attached with this letter.

This letter serves as an official closure of the **2018Q3-Q4 and 2019Q1-Q2 Non-DOT NOPV** letter for incidents G20171016-2387 in Coalinga, G20180216-2497 in San Francisco and G20171004-2369 in Firebaugh, and any matters that are being recommended for enforcement will be processed through the Commission's Citation program or a formal proceeding. Pursuant to Commission Decision 16-09-055, SED has the authority to issue citations for each violation found.

If you have any questions, please contact Mohammad Ali at (916) 928-2109 or by email at ma5@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: Vincent Tanguay / PG&E
Susie Richmond / PG&E
Terence Eng / SED-GSRB
Mohammad Ali / SED-GSRB
Claudia Almengor / SED-GSRB

SUMMARY OF INVESTIGATION FINDINGS

SED Findings: SED identified 3 probable violations as described below:

- I. In the NOPV letter dated 1/14/2020, the first violation SED found was that PG&E violated 49 CFR §192.605(a) as shown below:

Title 49 Code of Federal Regulations (CFR) §192.605(a) states in part:

“(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response.”

On 10/13/2017, PG&E was gathering pressure data from Large Volume Customers when it discovered that the meter set assembly (MSA) for GCUST20344 had a pressure of 465 psig, exceeding its maximum allowable operating pressure (MAOP) of 200 psig. PG&E’s Measurement and Control Lab found sulfur in the regulation equipment and that the poor working condition of the regulation equipment was the cause of the over pressurization.

Based on the information gathered, SED found PG&E in violation 49 CFR §192.605(a) for: (1) failure to follow PG&E procedure TD-4540P-02 Section 5 by not downloading the electronic pressure recording and reviewing the data following the 8/29/2016 and 8/29/2017 maintenance and; (2) failure to follow PG&E procedure when the maintenance crew installed a test gauge on the bypass line instead of installing a test gauge downstream of regulation and the outlet valve as required in TD-4540P-02 during the 8/29/2017 maintenance.

Furthermore, SED is concerned that PG&E’s current procedures insufficiently address abnormal operations which led to the over pressurization not being detected during the 8/29/2017 maintenance. PG&E procedure TD-4530P-04 “Performance Checks and Maintenance of Turbine Gas Meters” does not require personnel to verify “as-found” upstream and downstream pressure prior to performing meter maintenance. Similarly, PG&E procedure TD-4540P-02 “Maintenance of Gas Regulation Equipment on Meter Set Assemblies” allows for missed opportunities to detect similar abnormal conditions when multiple maintenance tasks are performed since the “as-found” pressure can be taken after pressure has been relieved from the facilities during performance of previous tasks, as was the case on 8/29/2017 when the PG&E crew performed performance check of the turbine gas meter prior to maintaining the gas regulation equipment on the MSA.

PG&E’s Response

PG&E agrees with the SED's finding.

As described in the causal evaluation report, PG&E has taken the following corrective actions to address this over pressure event and to prevent future occurrences:

1. TD-4540S has been updated to require an annual A inspection and an 8 years B inspection for Transmission Large Volume Customer Meter Sets (LVCM).
2. TD-4300B-07 has been updated to provide clarification that a pressure recorder is still required after a Class A inspection is completed.

3. Additionally, CAP 118449595 has been created to evaluate and track revisions to TD-4540P02, and,
4. TD-4530P-04 that will address the SED's concerns that PG&E's procedures insufficiently address abnormal operations which led to the over pressurization not being detected during the 8/29/2017 maintenance.

SED's Conclusion:

Upon review of PG&E's response, SED agrees that PG&E adopted the corrective actions by updating the relevant Procedures to address this over pressure event and to prevent future occurrence.

SED has opted not to impose a fine or penalty at this time.

- II. In the NOPV letter dated 1/14/2020, the second violation SED found was that PG&E violated 49 CFR §192.605(b)(3) as shown below.

Title 49 Code of Federal Regulations (CFR) §192.605(b)(3) states in part:

“(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations:...

(3) Making construction records, maps, and operating history available to appropriate operating personnel.”

On 02/16/2018, a third-party contractor struck a gas service line with a mini excavator, resulting in an unintentional release of gas. The contractor had a valid Underground Service Alert (USA) ticket (W734700952), however according to PG&E, due to a weak locating signal, a PG&E locator was required to use maps to determine the location of the service, resulting in markings that were off by approximately 5 feet. PG&E's map for this service line incorrectly indicated a 1/2" plastic service instead of 1" plastic service and did not indicate an offset of approximately 5 feet east of the actual service line marking.

Based on SED's investigation, this incident was caused by PG&E's violation of Title 49 CFR § Part 192.605(b)(3) for failing to provide their Mark and Locate personnel with accurate information which contributed to the mismarking of the gas service line.

PG&Es Response:

PG&E agrees with the SED's finding. PG&E has taken the following corrective actions to prevent future occurrences:

At the time of this dig-in, the locator called Gas Mapping for a verbal confirmation of the Gas Service Record, which confirmed his signal findings and map information in the field. The following actions have been taken:

1. Gas service records and an updated App (Maps+) are now available to locators in the field. This additional information allows locators to further research maintenance history before marking.
2. When service orders are found to be in conflict with the signal the locator receives on his/her device, the map correction form is to be submitted via the Corrective Action Program.
3. CAP114560761 was created to perform a map correction on the above mentioned incorrectly mapped service. Map correction is completed and updated to reflect the correction.

SED's Conclusion:

Upon review of PG&E's response, SED agrees that PG&E adopted the corrective actions by making available Gas service records and an Updated Maps+ Apps in the field which will allow locators to find maintenance history before marking and update map correction to avoid recurrence.

SED has opted not to impose a fine or penalty at this time.

- III. In the NOPV letter dated 1/14/2020, the third violation SED found was that PG&E violated 49 CFR §192.605(b)(5) as shown below:

Title 49 Code of Federal Regulations (CFR) §192.605(b)(5) states in part:

“(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations:...

(5) Starting up and shutting down any part of the pipeline in a manner designed to assure operation within the MAOP limits prescribed by this part, plus the build-up allowed for operation of pressure-limiting and controlling devices”

On 9/28/2017, PG&E technicians were inspecting a customer primary set serving a Large Volume Customer (Olam Spices) in response to high pressure alarm notifications received earlier that morning, when an over pressurization event occurred (MAOP is reported to be 60 psig). During inspection, PG&E technicians manually throttled the bypass valve to maintain supply to the customer. Although the technicians were said to be monitoring the gauge, they failed to observe the increase in pressure for 20 minutes. PG&E's standard TD-4540P-01 “Maintenance of Regulator Stations” currently do not address the use of bypass valves to maintain supply to customer.

Based on the information gathered, SED found that PG&E's procedure does not adequately address 49 CFR §192.605(b)(5) which requires operators to include procedures for starting up and shutting down any part of the pipeline in a manner designed to assure operation within the MAOP limits plus the build-up allowed. PG&E must include guidance to its personnel on the maintenance of customer primary sets, the use of bypass valves when maintaining supply downstream, and emphasize the importance of monitoring pressures during maintenance.

PG&E's Response.

PG&E agrees with the SED's finding.

PG&E has taken the following corrective actions to address this over pressure event and to prevent future occurrences:

1. This station was reconfigured to protect it (installed slam shut, installed sulfur filter, brought the legacy ERX to start alarming into the control room, and confirmed the set points on the reg station). Additionally, in 2019, gas control moved all Legacy ERXs to alarm in the control room.
2. CAP 118489695 has been entered to evaluate and track revision to TD-4540P-01 to add step in the Class A inspection section to always monitor downstream pressure, especially during manual bypass at single run stations.
3. PG&E teaches the importance of throttling a bypass in multiple courses provided to crew- members. For example, 'Regulator Refresher (GPOM-7150)' was specifically targeted on the safety and critical thinking when bringing on or taking down a station. Additionally, material is included in 'Gas Fundamental 2 (GPOM-3000)' the regulation course, and in 'Gas Fundamental 1 (GPOM-2000)' describing the controls used when performing bypass activities.

SED's Conclusion:

Upon review of PG&E's response, SED agrees that PG&E adopted the corrective actions by updating the relevant Procedures to address this overpressure event and to prevent future occurrence.

SED has opted not to impose a fine or penalty at this time.