



Michael Falk  
Director  
Compliance  
Gas Operations

6111 Bollinger Canyon Rd.  
San Ramon, CA 94583  
Phone: 925.244.3276  
E-mail: mdf@pge.com

February 29, 2016

Mr. Ken Bruno  
Gas Safety and Reliability Branch  
Safety and Enforcement Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: State of California – Public Utilities Commission  
General Order 112-E Audit – PG&E’s Stockton Division

Dear Mr. Bruno:

The Safety and Enforcement Division (SED) of the CPUC conducted a General Order 112-E audit of PG&E’s Stockton Division from October 5th through October 9, 2015. On January 29, 2016, the SED submitted their audit report, identifying violations and findings. Attached is PG&E’s response to the CPUC audit report.

Please contact Stephen Ramos at (925) 413-7311 or s3rc@pge.com for any questions you may have regarding this response.

Sincerely,

/S/  
Michael Falk

Attachments

cc: Sikandar Khatri, CPUC  
Aimee Cauguiran, CPUC  
Dennis Lee, CPUC

Susie Richmond, PG&E  
Larry Deniston, PG&E  
Sumeet Singh, PG&E

**2015 Stockton Division CPUC Audit Responses**

CONFIDENTIAL – Provided Pursuant to P.U. Code §583				
Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV Internal Findings		<p>Prior to the start of inspection, PG&amp;E provided SED its finding from the internal review it conducted of Stockton Division (Division). Some of PG&amp;E’s internal review findings are violations of PG&amp;E’s standards, and are therefore violations of Title 49 Code of Federal Regulations (CFR), §192.13(c) or §192.605(a). SED is aware that PG&amp;E corrected some of its findings prior to SED’s inspection. For those items not corrected prior to the inspection, please provide an update on PG&amp;E’s progress to complete the corrective actions.</p> <p>Table 1 lists all of the corrosion related violations from PG&amp;E’s internal review.</p>	All corrective actions associated with the Internal Review findings provided for the Stockton Division CPUC audit have been completed. Attached, please find Attachment 1 - Stockton Division Internal Review, indicating the findings, corrective actions taken and the closure date.	Att 1_Stockton Division Internal Review_CONF.pdf
NOV	1	<p>1. Title 49 CFR §192.605 states in part:</p> <p>(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...”</p> <p>(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. (1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part...”</p>	See responses in NOV 1.1 and in NOV 1.2.	N/A
NOV	1.1	<p>1.1 Corrosion Control Records Title 49 Code of Federal Regulations §192.491(a) states that: “Each operator shall maintain records or maps to show the location of cathodically protected piping, cathodic protection facilities, galvanic anodes, and neighboring Structures bonded to the cathodic protection system. Record or maps showing a stated Number of anodes, installed in a stated manner or spacing, need not show specific Distances to each buried anode.”</p> <p>(a) SED staff reviewed the records of CPA area 2818-1, which is a galvanic system. The records did not have details and locations of installed anodes.</p> <p>(b) There is an isolated section (a steel riser) on map of CPA area 3004-7. No reads were available. On inquiry, PG&amp;E staff mentioned that it is monitored as the location 1194 Fresno Avenue, for which the records were available. However, the correct address should be 1404 Fresno Avenue. Hence, PG&amp;E did not keep accurate records. Please make changes, as necessary, and provide a copy of the corrected record and recent pipe-to-soil read.</p> <p>(c) PG&amp;E in its Statistical Report indicated presence of 0.05 miles of bare steel transmission line. To an inquiry by SED staff, PG&amp;E stated that probably there is no bare steel present, it might have come from “Bill of Material”. Later PG&amp;E in its email dated 12/21/2015 has confirmed that the steel is coated as per Gas Standards, E-30 and E-35, and a Corrective Action Plan (CAP) has been created to update information in Pipeline Feature List (PFL). Please provide a copy of the updated record. Please also provide information about procedures used for monitoring this, and the relevant record.</p>	<p>(a) Please see attachment "NOV1.1a - CPA 2818-1 - Anode Locations_CONF.pdf" for an updated map with anode locations.</p> <p>(b) Please see attachment "NOV 1.1b - CPA 3004-7 - 1404 Fresno ave_CONF.xls" for a copy of the corrected record and recent pipe-to-soil read.</p> <p>(c) The change request is complete, and the information is updated on the PFL. Please see attachment "NOV 1.1c - Stockton Division - 2013 &amp; 2014 - Stat Report_Revised_CONF.pdf" for an updated copy of the stat report. There isn't a formal procedure, however, PG&amp;E has quality control check points embedded in key sub-processes of the Pipeline Features Lists (PFL) process. These check points can be found in PFL Build, Quality Control (QC), Issue Resolution (IR), GIS Alignment as well as other sub-processes for verification of the data inputted. Additionally, the most up to date data for gas transmission pipeline specifications are contained in the PFLs.</p>	<p>(a) NOV1.1a - CPA 2818-1 - Anode Locations_CONF.pdf</p> <p>(b) NOV 1.1b - CPA 3004-7 - 1404 Fresno ave_CONF.xls</p> <p>(c) NOV 1.1c - Stockton Division - 2013 &amp; 2014 - Stat Report_Revised_CONF.pdf</p>

**2015 Stockton Division CPUC Audit Responses**

**CONFIDENTIAL – Provided Pursuant to P.U. Code §583**

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV	1.2	<p>1.2. Meter locations Title 49 Code of Federal Regulations §192.353 (a) states that: “Each meter and service regulator, whether inside or outside a building, must be installed in a readily accessible location and be protected from corrosion and other damage, including, if installed outside a building, vehicular damage that may be anticipated ...” SED staff during field visit observed that:</p> <p>(a) The meter set at 15124 5th St. needed protection against vehicular damage. (b) The meter set at 211 Anita St., Jackson was not located in an easily accessible position, and therefore would be difficult to access in case of emergencies.</p>	<p>(a) Please see attachment "NOV1.2a - 15124 5th St, Lathrop - Guards.pdf" for a photo of the meter set and newly installed guard posts.  (b) PG&amp;E sent a crew to the property to work with the homeowners to provide safe access to the meter. It was determined that the gate to the side of the garage at the rear of the property allows for safe access to the meter set.</p>	(a) NOV1.2a - 15124 5th St, Lathrop - Guards.pdf
AOC	1	<p>1. CP criteria not met– field visit  SED during field visit found that the following locations had low Pipe-to-Soil (P/S) values and some other issues as mentioned. After the audit, PG&amp;E through emails have provided an update on measures taken to address the findings. Please provide a summary of measures taken and update on the pending items.</p> <p>177 Colin Avenue, Tracy Annual -771 mV 9310 Lorraine, Tracy Annual -845 mV 818 S. Hunter St., Stockton Annual -269 mV, also meter touching the ground 7070 Harlan Road, French Camp Bimonthly -550 mV 550 W. Howard St., Stockton Bimonthly -546 mV 2445 W. Oxford Way, Lodi Bimonthly -583 mV 320 Alma Ave., Jackson 10%er -811 mV 645 N. HWY 49, Jackson 10%er Read -0.085 mV. On anode, the read was -836 mV 241 Pope St., San Andreas 10%er -893 mV 410 Alice St, Stockton 10%er -796 mV 15124 5th St., Lathrop -139 MV</p>	<p>Please see below and attached for the status of the low pipe-to-soil potentials taken during the audit. (a) 177 Colin Avenue, Tracy Annual -1036 mV (b) 9310 Lorraine, Tracy Annual - PM#49549341, 42493925, 42549340 for anodes. Scheduled to be installed Q1 2016 (c) 818 S. Hunter St., Stockton Annual - PM#42493934 for meter, PM#42493924 for anodes. Scheduled to be installed Q1 2016 (d) 7070 Harlan Road, French Camp Bimonthly -888 mV (e) 550 W. Howard St., Stockton Bimonthly -914 mV (f) 2445 W. Oxford Way, Lodi Bimonthly -1346 mV (g) 320 Alma Ave., Jackson 10%er -1600 mV (h) 645 N. HWY 49, Jackson 10%er -1579 mV (i) 241 Pope St., San Andreas 10%er - 1241 mV (j) 410 Alice St, Stockton 10%er - 1300 mV (k) 15124 5th St., Lathrop - 1621 mV</p>	AOC 1 Attachments_CONF.zip
AOC	2	<p>2. SED staff visited the location of casing for L-162A at Von Sosten and Hansen, Tracy. The casing could not be located. PG&amp;E through email has informed that casing could not be located in field; hence, it will be monitored as a casing without leads. Please verify the status, and provide update, if any.</p>	<p>PG&amp;E has created RW Notification number 110802552 to monitor the casing without leads. The casing is on the 2016 maintenance plan. Please see attached "AOC 2 - RW 10802552 - Casing L-162A.pdf"</p>	AOC 2 - RW 10802552 - Casing L-162A_CONF.pdf
AOC	3	<p>3. During field visit, SED staff found low reads for the casing for L-197B at Woodbridge and Devries. The casing-to-soil read was -215 mV and Pipe-to-soil read was -712 mV. SED staff also observed wires in ETS were projecting outward and visible on ground surface, hence creating unsafe condition. PG&amp;E in email has indicated that work is in progress to address these issues. Please provide an update.</p>	<p>Please see attachments "AOC 3 -Woodbridge and Devries.xls" for the status of the low pipe-to-soil potential taken during the audit and "AOC 3 -ETS Photo, Wires Inside.pdf" for a photo of the ETS station with the wires inside.</p>	AOC 3 - Woodbridge and Devries_CONF.xls AOC 3 - ETS Photo, Wires Inside_CONF.pdf
AOC	4	<p>4. SED staff observed exposed section X61 located at 85 Main Street s/o Pope Street, San Andreas. The pipe condition was good; however, no markers were present at the site. SED staff brought this to the attention of PG&amp;E staff who placed markers at the site.</p>	<p>Please see attachment "AOC 4 - 85 Main Street, Pope Street, San Andreas.pdf" for a photo of the sticker installation.</p>	AOC 4 - 85 Main Street, Pope Street, San Andreas.pdf

**2015 Stockton Division CPUC Audit Responses**

**CONFIDENTIAL – Provided Pursuant to P.U. Code §583**

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
AOC	5	<p>5. SED reviewed Atmospheric Corrosion (AC) records for meter sets. It was observed that in addition to monitoring atmospheric corrosion, the PG&amp;E/contractor staff provides additional information in the form of comments. SED staff made following observations:</p> <p>(i) A buried riser was reported at 808 Flower Street, Stockton during 2014 AC inspections. Please provide documents showing that when and what action was taken to address it.</p> <p>(ii) A number of 'Can't Get In' (CGI) were also reported. PG&amp;E has provided information that Gas Service Representatives (GSR) will follow up on it. However, in case when CGIs stay there for longer than three years and exceed 39 months monitoring timeframe outlined in Title 49 Code of Federal Regulations, §192.481, what actions are taken to avoid violation of the code?</p>	<p>(i) Please see attached photo of the valve at 808 Flower St, Stockton. The valve is not buried and not leaking. The issue is that the valve cannot be turned because of the separation between the valve and the concrete. PG&amp;E is planning to do a complete re-run so that the existing service is replaced and a new pre-fab riser is installed to operate the valve at anytime. PG&amp;E will complete the re-run by Q1 of 2016.</p> <p>(ii) When a CGI is encountered for AC inspections, the qualified inspector records the meter/riser as a CGI in his or her tablet device and moves on to the next meter. The CGIs are exported from the Atmospheric Corrosion (AC) Inspection database and uploaded into the AMP database for PG&amp;E's Field Services (Gas Service Representatives) to perform the AC inspections. If the GSRs are unsuccessful, the AC CGI will go into the CGI tracker and appropriate steps are followed to try and gain access. These steps include calls during non-working hours and weekends, and leaving a door hanger (see attached "TD-4110P-03-F15 – CGI card.pdf") for the resident to call into PG&amp;E to schedule an appointment when resident is available to provide access to the meter and riser. If the CGI continues, the Centralized CGI Team (CCT) is contacted for assistance. The CCT will send a customer communication letter and notification using certified mail return receipt requested to the customer and property owner. If the CGI is not resolved within the compliance timeframe, Regulatory Compliance is notified and the CCT will work with the M&amp;C supervisor to discontinue gas service. The CCT will send the customer an Interruption of Gas Service Notification (see attached "TD-4110P-03-F18 - Interruption of Gas Service Notification.pdf"). If needed, a crew will interrupt the gas service at the tee and the call center is notified to record the location and situation. A CGI card and letter are left at the door.</p> <p>Please refer to Section 4.3, Table 5 of the attached Procedure "TD-4110P-03 - Performing and Documenting Leak Survey.pdf" for CGI Status and PG&amp;E's actions.</p>	<p>AOC 5 - TD-4110P-03-F15 – CGI card_CONF.pdf</p> <p>AOC 5 - TD-4110P-03-F18 - Interruption of Gas Service Notification_CONF.pdf</p> <p>AOC 5 - TD-4110P-03 - Performing and Documenting Leak Survey_CONF.pdf</p>