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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 Audit – PG&E's Topock District

Dear Mr. Bruno:

The Safety and Enforcement Division (SED) of the CPUC conducted a General Order 112 audit of PG&E's Topock District from October 20-22, 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 Glen Allen at (925) 278-3462 or gmad@pge.com for any questions you may have regarding this response.

Sincerely,

/S/
Michael Falk

Attachments

cc: Willard Lam, CPUC
Aimee Cauguiran, CPUC
Dennis Lee, CPUC
Larry Deniston, PG&E
Sumeet Singh, PG&E

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2015 Topock District Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV PG&E's Internal Audit Findings	1	Prior to the start of the inspection, PG&E provided SED its findings from the internal review it conducted of Topock District (District). Some of PG&E's internal review findings are violations of PG&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&E corrected some of its findings prior to SED's audit. Table 1 lists all of the violations from PG&E's internal review. SED is aware that the District may have completed some of the items by the time of this letter. Please provide an update on the corrective status on the items that were pending as of October 22, 2015.	Attached, please find Attachment 1 - Updated - Topock District 2015 Internal Audit Findings, indicating the findings, corrective actions taken and the remediation status. Updates have been highlighted in yellow.	Att 1_Updated - Topock District 2015 Internal Audit Findings.pdf
NOV	2	1. Title 49 CFR §192.605(a) states in part: "Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response." 1.1 Gas Standard O-16, Section 6, Paragraph (B)(3), states: "If the Cathodic Protection Area (CPA) restoration work is (or expected to be) over 60 days, the [CPA Follow-Up Action Plan] form must be used and developed within 60 calendar days from the date the CPA is found below adequate levels of protection…" During a review of the District's corrosion records, SED discovered the "CPA Follow-Up Action Plan" form (Action Plan) was created late for Electrolysis Test Station (ETS) L-300B Mile point (MP) 2.10. On 11/10/2014, the District discovered a below adequate pipe to soil reading of -834 millivolts (mV) at ETS L-300B MP 2.10. On 2/20/15, the District recorded a subsequent reading of -993 mV. However, no Action Plan was created, thus violating PG&E's Gas Standard O-16 and subsequently 49 CFR §192.605(a).	As stated in the finding, on 11/10/14, the District discovered a below adequate pipe to soil reading of -834 millivolts (mV) at ETS L-300B MP 2.10. On 2/20/15, the District recorded a subsequent adequate pipe to soil reading of -993 mV. However, no action plan had been created after the 2014 reading. This ETS was read again on 1/20/16 with an adequate pipe to soil reading of -916 mv. Attached, please find Attachment 2 - L-300B MP 2.10 Read. To prevent reoccurrence, action plans are now managed in the work management system, SAP. Automatic notifications are generated and sent to appropriate parties, alerting them of the need to initiate action plans and to make in a timely manner any subsequent updates to the action plans, including scheduling of work requests. In addition, all local mechanics have been tail-boarded on the Action Plan Procedures. Attached, please find Attachment 3 - Topock Tailboard.	Att 2_L-300B MP 2.10 Read_CONF.pdf Att 3_Topock Tailboard_CONF.pdf
AOC	1	A. During field visits to ETS locations, SED observed numerous pipe-to-soil readings to have below adequate protection (see Table 2). SED is aware that the District is in the process of permanent repairs for the stolen rectifiers (MP 25 and MP 40), however, SED still considers these below adequate pipe-to-soil readings a concern, especially since some ETS locations have remained inadequate since the beginning of 2015. PG&E's temporary cathodic protection no longer appear to be providing adequate protection for the area at the time of inspection. Please provide SED with an update for the ETS locations listed in Table 2 and the status of the permanent repairs for the stolen rectifiers. Item # Field Visit Type Line Mile Point Notes 1 ETS Read Needles Tap 0.7 -865 mV 2 Rectifier A 0.24 1.3 VDC; 0.0A (bad anode wire) 3 ETS Read B 0.24 -300 mV (due to down rectifier) 4 ETS Read A 0.32 -803 mV 5 ETS Read B 0.95 -803 mV 6 ETS Read B 2.93 -601 mV 7 ETS Read B 4.97 -754 mV 8 ETS Read B 13.6 -728 mV 9 ETS Read A 16.33 -708 mV 10 ETS Read B 17.9 -700 mV 11 ETS Read B 18.9 -671 mV 12 ETS Read A 20.3 -700mV 13 ETS Read A 21.23 -587 mV 14 ETS Read A 22.14 -690 mV 15 ETS Read B 25.38 -681 mV 16 ETS Read A 26 -601 mV 17 ETS Read A 30.79 -567 mV 18 ETS Read B 30.4 -643 mV 19 ETS Read B 33.31 -737 mV 20 ETS Read B 35.43 -768 mV 21 ETS Read A 36.62 -567 mV 22 ETS Read A 37.13 -562 mV 23 ETS Read A 38.2 -620 mV 24 ETS Read B 42.6 -766mV 25 ETS Read A 44.12 -649 mV 26 ETS Read B 44.54 -823 mV 27 ETS Read A 52.03 -829 mV	Permanent repairs have been completed at MP 25. A new permanent Thermal Electric Generator and Rectifier were installed in the 4th quarter of 2015. Attached, please find Attachment 4 - TEG MP 25 Work Request. The project to replace the stolen rectifier at MP 40 is currently in the planned stage with expected completion 2nd quarter 2016. The project will install a new anode as well as the rectifier at PLS-1A. Attached, please find Attachment 5 - MP 40 Work Request. Attached, please find Attachment 6 - Topock Updated ETS Reads. Those reads that are low have been highlighted in yellow along with the status of the associated remediation.	Att 4_TEG MP 25 Work Request_CONF.pdf Att 5_MP 40 Work Request_CONF.pdf Att 6_Topock Updated ETS Reads_CONF.xlsx
AOC	2	During a field visit to a rectifier at L-300B MP 40.49, SED noticed the smell of natural gas present in the area. Upon investigation, SED determined the cause of the odor to be a leaking relief valve nearby the rectifier location. The District dispatched personnel to perform a follow up investigation. Please provide SED with an update on the leak repair and the record of repair.	Work to repair the leaking relief valve at PLS-1B were completed on 10/21/2015 by injecting the valve with sealant. Attached, please find Attachment 7 - PLS-1B Closed Work Request.	Att 7_PLS-1B Closed Work Request_CONF.pdf

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2015 Topock District Audit Findings and Responses

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AOC	3	While traveling along the pipeline right-of-way to ETS location L-300A MP 87.10, SED discovered an exposed section of pipeline at an existing concrete covered wash. The soil embankment eroded past the concrete layer protecting the pipeline, exposing an approximately 2.5 foot section of the pipeline coating. Please provide SED with the last inspection of the exposed section prior to SED's 10/21/2015 visit. Additionally, provide a status update on the District's remediation of the said exposed section of L-300A.	The last patrol date of Line 300A, MP 87.10 prior to SED's Topock District Audit was an aerial patrol which was performed on 10/14/2015. The patrol video was checked for this approximately 2.5 foot section of exposed pipeline. No indication of the exposed pipeline was observed from the video. A ground patrol was performed on 10/22/2015 following the discovery of the exposed pipeline during the audit field observations. Attached, please find Attachment 8 - Ground Patrol Report. In order to remediate the exposed pipeline, the Topock District will refill with dirt to re-establish the prior condition. Expected completion 2nd quarter 2016. Attached, please find Attachment 9 - Exposed Pipe Work Request.	Att_8 Ground Patrol Report_CONF.pdf Att_9 Exposed Pipe Work Request_CONF.pdf