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August 22, 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 Gas Audit and Whistleblower Complaint Investigation of PG&E's  
Drug and Alcohol Misuse Prevention Program

Dear Mr. Bruno:

The Safety and Enforcement Division (SED) of the CPUC conducted a General Order 112 audit of PG&E's Drug and Alcohol Misuse Prevention Program from October 26 through October 29, 2015. On July 22, 2016, the SED submitted their audit report, identifying violations and findings. Attached is PG&E's response to the CPUC audit report.

Please contact Gary F. Guerrero at (925) 328-5737 or gfg2@pge.com for any questions you may have regarding this response.

Sincerely,

/S/  
Michael Falk

cc : Aimee Cauquiran, CPUC  
Fred Hanes, CPUC  
Dennis Lee, CPUC  
Susie Richmond, PG&E  
Sumeet Singh, PG&E

Attachment

**2015 Drug and Alcohol Audit  
Whistleblower Complaint Investigation  
GI-2015-08- PGE16-02A Response**

Finding	Finding	Response
<b>NOV - 1</b>	<p>During the inspection, SED learned from a PG&amp;E Labor Relations representative that some employees who perform covered functions regulated by part 192, such as Field Engineer or Aerial Survey Pilot, have long been considered as covered employees but have not been listed in the Plan, which otherwise includes a detailed list of many covered positions.</p> <p>SED observed that a new page adding six job titles had been recently inserted into copies of the Plan provided during the audit, but found that the document revision process had not been completed for that insertion, so that the new page was not yet officially a part of the Plan. The six new titles inserted but not under document control as of Oct. 29, 2015 were: Field Engineer, Field Engineering Technician, Sr. Field Engineering Technician, and the Hiring Hall versions of those same titles. Aerial Survey Pilot did not appear on the new page.</p> <p>The document-controlled version of the Plan that was in effect during the audit did not accurately state the coverage of the Plan. PG&amp;E must ensure the list of covered positions in its written plan adequately identifies all covered functions subject to its Anti-drug plan and ensure testing of all employees who perform covered functions.</p> <p>PG&amp;E is in violation 49 CFR §199.101 (a)</p>	<p>The 1996 ESC Letter Agreement (96-2-ESC) references ESC Field Engineers and Field Engineering Techs as covered classifications subject to the provisions of the DOT program. The 2004 Letter of Agreement between the Company and the International Brotherhood of Electrical Workers, Local 1245 (“IBEW”) contains the “The Anti-Drug and Alcohol Misuse Prevention Plan.” That plan is also administered to the ESC classifications. The current plan contained in the 2004 letter of agreement does not represent a comprehensive list of positions that fall into the random drug testing pool.</p> <p>PG&amp;E Utility Standard TRAN-2005S, Sections 1.1 states "All" PG&amp;E employees and contractors working on a pipeline or liquefied natural gas facility and performing any operation, maintenance, or emergency-response functions [that] must comply with the following regulations (49CFR192, 49CFR193, and 49CFR195). Section 1.3 states the standard also applies to individuals who are considered as potential candidates for employment with PG&amp;E and who are applying for positions that fall within 49CFR192, 49CFR193, and 49CFR195.</p> <p>PG&amp;E recognizes the union letter agreements and job classifications need to be compiled into an updated overall comprehensive PG&amp;E Plan applicable to the job classifications in the Company covered by the DOT Drug and Alcohol provisions. PG&amp;E will revise the Anti-Drug and Alcohol Plan by the end of Q4 2016.</p>

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<b>NOV - 2</b>	<p>During the inspection, SED reviewed “PG&amp;E Utility Standard TRAN 5000S, Drug and Alcohol Testing Requirements Standard”. That standard includes the company anti-drug and alcohol plan and policies. Details of the program were reviewed in the attachments titled:</p> <ol style="list-style-type: none"> <li>1. “Anti-Drug and Alcohol Misuse Prevention Plan”. (the Plan)</li> <li>2. “PG&amp;E’s Drug-Free Workplace Program, DOT Drug and Alcohol Testing Program, Employee Policy and Handbook”. (the Handbook)</li> </ol> <p>SED did not find specific procedures within the PG&amp;E standard or its attachments for how employees are to be notified of the coverage and provisions of the plan.</p> <p>As part of the whistleblower investigation, PG&amp;E responded to data requests which show that PG&amp;E failed to maintain signed Acknowledgements of Receipt of the Employee Handbook for 5 Field Engineers employed during 2012-2015. Thus, there is no record that these employees were notified of the coverage and provisions of the Plan.</p> <p>PG&amp;E is in violation of 49 CFR §199.101 (a) (4).</p>	<p>As PG&amp;E stated in the referenced data response (6834.01 Supp01), PG&amp;E determined there was an administrative error made in the Centralized Job Bidding Team (CJBT), responsible for filling bargaining unit positions, including the Field Engineer position. Since discovering the error on July 1, 2015, PG&amp;E has implemented a DOT Eligibility Checklist for internal and external hires, as well as a quality control/auditing process to avoid errors being made in the future. PG&amp;E identified a total of 5 Field Engineers between 2012 and 2015 who did not sign an Acknowledgement of Receipt form. Since discovering the error, PG&amp;E has collected signed Acknowledgement of Receipt forms from 4 of the 5 Field Engineers. The fifth Field Engineer is no longer employed by PG&amp;E. PG&amp;E also took the following corrective actions:</p> <ul style="list-style-type: none"> <li>- The CJBT is now ensuring that Field Engineers are receiving pre-employment/pre-duty drug screenings, with the assistance of the DOT Regulatory Compliance Department.</li> <li>- PG&amp;E has updated its procedures for filling and hiring candidates into DOT covered positions.</li> <li>- Future enhancements to the job qualifications catalog within SAP are planned to occur with the iSAP release (By December 2016) which allows PG&amp;E’s Centralized Job Bidding and Recruiting teams to clearly identify the DOT requirement and ensure pre-duty testing is completed and the Employee Handbook is distributed.</li> </ul>

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<p><b>NOV - 3</b></p>	<p>During the inspection, SED found an instance of a random drug test performed in March 2015 on a Field Engineer, for whom there was no record of having taken a pre-employment screening test. PG&amp;E has stated that the position of Field Engineer has long been considered to be included in the random drug test pool, even though the position was not listed in the written Plan. That Engineer began work on September 1, 2012, and had transferred from a non-covered PG&amp;E position. If they were entering a covered position they should have passed a pre-employment drug test. There is no record that such a test was given.</p> <p>As part of the whistleblower investigation, PG&amp;E responded to data requests which show that PG&amp;E failed to conduct pre-employment tests for 31 Field Engineers from January 1, 2012 to June 30, 2015, as required by their Plan.</p> <p>PG&amp;E is in violation of 49 CFR §199.105 (a).</p>	<p>As of August 15, 2015, 30 of the 31 Field Engineers who did not receive a pre-duty test have received a pre-duty test. One of the 31 engineers is no longer employed by PG&amp;E. In addition to administering a test to the 30 engineers, PG&amp;E has taken the corrective actions described in NOV-2 Response.</p>
<p><b>AOC - 1</b></p>	<p>During the audit, SED inspected the PG&amp;E office building at 3401 Crow Canyon Road, San Ramon, for displays of EAP materials and the anti-drug policy on several employee bulletin boards in hallways and break areas. SED did not find any examples of EAP posters, employer policy, or related materials. SED notes that the Crow Canyon Rd. building where the inspection was conducted is not a primary location for covered employees to work. However the lack of flyers, posters, and etc. in this building raises a concern about the proper display and distribution in covered-function work locations.</p> <p>PG&amp;E should ensure that it provides display of informational material, community service hot-line telephone number for employee assistance, and its company policy regarding the use of prohibited drugs in locations where covered employees report for work.</p>	<p>PG&amp;E has a variety of ways to communicate with employees about its EAP and Anti-Drug Program. Posting flyers on bulletin boards is only one of several means. Information about the EAP program is displayed on the Company's intranet site and included in PG&amp;E's DOT Handbook. PG&amp;E sends an electronic Bulletin to employees each week. Throughout the year, the Bulletin highlights various EAP programs, including its' Drug/Alcohol component. For example, in 2016, the Bulletin highlighted PG&amp;E's Alcohol/Drug Peer Program, Opiate Addiction, and Alcohol Addiction. PG&amp;E also distributes information to all PG&amp;E employees about EAP during April, as part of Alcohol Awareness Month. (Exh. B) PG&amp;E employees are also reminded of PG&amp;E's EAP program during Benefit Open Enrollment every fall.</p> <p>PG&amp;E will address the specific concern noted by the SED about posters on bulletin boards through its Corrective Action Program to ensure that EAP materials and the anti-drug policy are displayed throughout the PG&amp;E system.</p>