

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
DIABLO, CA 94102-3298

January 30, 2017

GI-2016-11-PGE-02-02B

Mr. Sumeet Singh, Vice President (s1st@pge.com)
Pacific Gas and Electric Company
Gas Asset and Risk Management
6111 Bollinger Canyon Road, Room 4590-D
San Ramon, CA 94583

SUBJECT: General Order 112 Gas Inspection of PG&E's Diablo Division

Dear Mr. Singh:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission, Joel Tran, Willard Lam, and Nathan Sarina conducted a General Order 112¹ inspection of Pacific Gas & Electric Company's (PG&E) Diablo Division (Division) from November 14-18, 2016. The inspection included a review of the Division's operation and maintenance records for the years 2014 through 2015, 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 Summary of Inspection Findings (Summary) which is enclosed with this letter.

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 observations noted in the Summary.

If you have any questions, please contact Joel Tran at (415) 515-3442 or by email at joel.tran@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

Enclosure: Summary of Inspection Findings

cc: Susie Richmond, PG&E (gsr8@pge.com)
Dennis Lee, SED (dennis.lee@cpuc.ca.gov)
Terence Eng, SED (terence.eng@cpuc.ca.gov)

¹ General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 15-06-044.

SUMMARY OF INSPECTION FINDINGS

I. Probable Violations

A. PG&E's Internal Inspection Findings

At the start of the inspection, PG&E provided SED its findings from the internal review it conducted of the Division. 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), §192.605(a). SED is aware that PG&E began remediation of all its findings prior to SED's inspection. Table 1 lists all of the violations from PG&E's internal review.

Table 1: Findings from PG&E's Internal Review

Code	Finding	Instances
192.605(a)	Regulator station maintenance missing supervisor approval	8
192.605(a)	Regulator station with dual runs, not swapped during annual maintenance	1
192.739(a)	Regulator station with no documented maintenance	1
192.605(a)	Valve maintenance indicated corrective actions needed and no indication of follow-up recorded	1
192.605(a)	Valve maintenance missing supervisor approval	26
192.743(a)	Missing relief valve capacity calculations	10
192.605(a)	Inoperable valve not restored within 12 months	1

B. SED Findings

1. Title 49 CFR §192.605(a) states:

"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."

- i) PG&E Procedure TD-4540P-01 requires calibration dates of test gauges used during regulator station maintenance to be documented. During its records review, SED found instances where the Division did not document dates of gauge calibration, but instead documented the dates that the gauges would be due for another calibration. Two examples are shown below. During the inspection, PG&E's document owner for this procedure agreed with SED's interpretation of this procedure.
 - RW-34 Reliez Valley Regulator Station was maintained on 8/24/2016. The Division incorrectly listed the calibration due date, 11/19/16, as the actual calibration date on the pressure recorder chart.
 - RA-34 Point of Timber Regulator Station was maintained on 7/13/2016, The Division incorrectly listed the calibration due date, 10/23/2016, as the actual calibration date on the pressure recorder chart.
- ii) PG&E Procedure TD-4430P-02 requires power gas self-contained relief valves to be maintained during regulator station maintenance. During its records review, SED found a regulator station where the power gas self-contained relief valve was not maintained during the annual regulator station maintenance. This regulator station is listed below.
 - Clayton RCV - No record of 2014 annual maintenance.

2) Title 49 CFR §192.745(a) states:

"Each transmission line valve that might be required during any emergency must be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year."

During its records review, SED found that the Division inspected the following transmission valve at an interval exceeding 15 months.

- Valve C89 at SP3/Vine Hill Dist Reg Sta RC-39. Inspected on 5/16/2014 with next inspection on 8/18/2015, exceeding 15 months.

II. Areas of Concern / Recommendations

1. During SED's field observation of valves at Antioch Gas Terminal, SED discovered a visible leak on Valve 152. SED is aware that PG&E subsequently submitted a Work Request (Order #42882023) and will be repairing this leak.

Please provide to SED what PG&E plans to do to address this issue and to prevent recurrence.

2. During SED's field observation at Regulator Station RA-04, SED discovered that four out of six supports were no longer providing support for station piping. PG&E could not provide any documentation to show it was aware of the issue, leading SED to believe that the supports were not inspected during annual station maintenance.

Please provide to SED what PG&E plans to do to address this issue and to prevent recurrence.