

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 10, 2017

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

GI-2016-04-PGE-24-01B

SUBJECT: General Order 112 Gas Inspection of PG&E's Kettleman District

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112 inspection of Pacific Gas & Electric Company's (PG&E) Kettleman District (District) on April 18-22, 2016.¹ The inspection included a review of the District's records for the period of 2013 through 2016, as well as a representative field sample of the District's facilities. SED staff also reviewed the District's operator qualification records, which included 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. The Summary reflects only those particular records and pipeline facilities that SED inspected during the inspection.

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 Nathan Sarina at (415) 703-1555 or by email at Nathan.Sarina@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: Mike Bradley, PG&E Compliance
Susie Richmond, PG&E Gas Compliance

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 Audit Findings

Prior to the start of the audit, PG&E provided SED its findings from the internal review it conducted of Kettleman 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 inspection. Table 1 lists all of the violations from PG&E's internal review.

Table 1: PG&E's Internal Review

Code Section	# of Non-Compliance	Finding Description	Corrective Action	Remediation Date
192.605(a)	535	During valve maintenance, if a valve (emergency or reliability) was partially operated the reason for the partial operation was not noted in "Action Taken" on the Gas Valve Maintenance Record (TD-4430P-04-F02) as required by Gas Valve Maintenance Work Procedure TD-4430P-04.	Kettleman District personnel received refresher review in completing documentation on 9/30/2015. CAP # 7023161. Additionally on 8/1/2015 Willows District began using the AMBBS version of SAP for maintenance. All information captured on TD-4430-P04-F02 is captured and viewable in AMBBS.	01/01/2016
192.605(a)	16	Monthly inspection and partial operation of controller-operated monitor valves and standby regulator valves is not documented on TD-4430P-04-F02, instead maintenance is documented on a District specific forms (monthly routine) and/or in PLM.	Bulletin TD-4001B-003 allows for deviation from work processes and procedures. Electronic record supersedes and takes the place of the paper form.	3/01/2016
192.605(a)	28	Kettleman District does not document 2 week lubrication of frequently operated regulator valves on TD-443P-04-F02. Maintenance is documented in PLM		3/01/2016
192.605(a)	78	TD-4430P-04-F01, and TD-4430P-04-F02 were not used to track valve maintenance on reliability valves as outlined in TD-4430P-04, instead the District tracked its valve	Kettleman District completed creating valve cards for all valves.	04/07/2016

		maintenance in PLM or SAP only.		
192.745	3	Maintenance on the following valves was not documented in 2013, and was not included in the Kettleman District Internal Summary of Findings for the 2015 CPUC audit: V-B at MP 270.85A V-2 at MP 344.52 V-1 at MP 345.71	Subsequent maintenance was completed and documented on its annual cycle.	05/2014
192.605(a)	1	Maintenance for V-1 at Shell Kettleman Pump Station (T-345.71 on L-300A) was not documented as required by TD-4430-04 for 2013.	Subsequent maintenance was completed and documented on its annual cycle.	6/2/2014
192.605(a)	42	Outdated forms were used to record maintenance.	Maintenance was performed and documented just on older forms. The crew received refresher training.	4/12/2016
192.605(a)	1	A power actuated valve was maintained only once in 2013. Procedure TD-4430-04 requires bi-annual maintenance for power actuated valves.	Maintenance was performed and documented twice a year in 2014 and 2015.	11/19/2014
192.605(a)	176	Kettleman District valve cards may show “unknown” without an explanation provided in the comments section, per job aide TD-4430-04-JA01.	PG&E has initiated Cap Item 7014384 for missing / unknown information of valve cards (TD-4430P-04-F01)	Pending
192.605(a)	1	The 2013 OM&I review for Morro Bay Intertie Station was not documented	The review was documented on the next annual cycle in 2014.	6/5/2014

Please provide SED a status update on the internal finding in which remediation was still pending as of April 22, 2016.

B. SED Findings

There were no findings of probable violation during this inspection.