

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
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December 8, 2016

GI-2016-07-PGE-22-01B

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 Milpitas District

Dear Mr. Singh:

On behalf of the Safety and Enforcement District (SED) of the California Public Utilities Commission, Joel Tran and Sikandar Khatri conducted a General Order 112 inspection of Pacific Gas & Electric Company's (PG&E) Milpitas District (District) from July 25-29, 2016.¹ The inspection included a review of the District's operation and maintenance records for the years 2010 through 2015, and a field inspection of a representative sample of the District's facilities. SED staff also reviewed the District'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. Pursuant to Commission Resolution ALJ-274, SED staff has the authority to issue citations for each violation found during the inspection.

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 District

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 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), §192.605(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)	Relief valves without relief capacity calculation	15
192.605(a)	Relief valve maintenance not documented on TD-4430P-02 F-06 and/or F-07	15
192.605(a)	Valve maintenance form not properly documented	2
192.605(a)	Valves with supervisor review greater than 30 days	64
192.605(a)	Relief Valves without data cards	17
192.605(a)	Instruments calibrated beyond 45 day time interval	4

II. Areas of Concern / Recommendations

1. During SED's review of valve actuator maintenance records, SED noted that hardcopy records did not have accurate information. There were instances (i.e. V-495.50A and V-143.28 Alum Rock) where the valve actuator cards show a maintenance frequency of "semi-annually" but the correct frequency of "annually" is listed in electronic records.
2. During SED's review of relief device calculations, SED noted instances where supervisor approvals were signed off after the subsequent capacity calculation at Irvington Station PRV-24, PRV-25, PRV-26, and PRV-27. Although PG&E does not have a timeline for supervisor approvals, waiting until after the subsequent capacity calculation for supervisor approval is excessive.
3. During SED's review of Irvington Station records, SED noted that a leak survey conducted on 8/10/2015 discovered aboveground leaks on V-30, R-13, & R-14. No corrective action was taken for these leaks until during the inspection on 7/26/2016.