

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



May XX, 2019

Mr. Melvin Christopher, Vice President
Pacific Gas and Electric Company
Gas Transmission and Distribution Operations
6121 Bollinger Canyon Road
San Ramon, CA 94583

GI-2019-03-PGE-14

SUBJECT: General Order 112 F Comprehensive Standard Gas Inspection of PG&E Sierra Division's Distribution System

Dear Mr. Christopher:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112 F standard inspection of Pacific Gas & Electric Company's (PG&E) Sierra Division (Division) distribution System on March 18 – 22, and March 25-29, 2019. The inspection included a review of the Division's records for the period of 2016 through 2018, as well as a representative field sample of the Division's facilities in Auburn, Grass Valley, Roseville, Rocklin, Yuba City, and Lincoln. SED staff also reviewed the Division's operator qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED's findings are noted in the attached Post-Inspection Written Preliminary Findings (Summary) section of this letter. The Summary reflects only those particular records and procedures that SED reviewed during this 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 Mohammad Ali at (916) 928-2109 or by email at ma5@cpuc.ca.gov.

Sincerely,

Dennis Lee
Program and Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

Enclosure: Post-Inspection Written Preliminary Findings

cc: Susie Richmond, PG&E Gas Regulatory Compliance
Aimee Caguiran, SED/GSRB
Claudia Almengor, SED/GSRB

Post-Inspection Written Preliminary Findings

Dates of Inspection: [3/18/19-3/22/19, and 3/25/19-3/29/19]

Operator: PACIFIC GAS & ELECTRIC CO

Operator ID: 15007 (primary)

Inspection Systems: Comprehensive Standard Distribution

Assets (Unit IDs): Sierra Division (86280)

System Type: GD

Inspection Name: PG&E Sierra Division

Lead Inspector: Molla Mohammad Ali

Operator Representative: Daniel Rakin

Unsatisfactory Results

Records : Operations And Maintenance (PRR.OM)

Question Text Do records indicate periodic review of the work done by operator personnel to determine the effectiveness, and adequacy of the processes used in normal operations and maintenance and modifying the processes when deficiencies are found?

References 192.605(a) (192.605(b)(8))

Assets Covered Sierra Division (86280 (14))

Issue Summary 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."

Utility Procedure TD-4540B-004, Effective Date: 02/12/2018, states in part:

"1 Background

1.1 Numerous material failures of carbon steel bolts have been reported for Fisher 627 Series regulators. These failures have resulted in Grade 1 leaks including several failures reported in 2016. Fisher 627 regulator codes were modified to include stainless steel bolts starting in 2012.

1.2 All Fisher 627 regulators with a manufacture year of 2011 or prior must have the bolts replaced.

2 Bolt Replacement

2.1 Identify Fisher 627 regulators during routine maintenance.

2.2 Check the date of manufacturer.

1. IF the manufacturer year is 2011 or prior, THEN replace the bolts using one of the following methods:

3. SAP Operations

3.1 SAP Corrective Operations will be assigned to each GD.STAT.FTAP functional location. SAP Corrective Operations will also be assigned to each regulator asset within all GD.STAT.HPRS functional locations.

3.2 Close the SAP Operation with appropriate long text to document the completed work. Note which option was performed, i.e., replaced bolts with stainless steel bolts, installed a new Fisher 627 regulator, bolt replacement not required."

SED reviewed Sierra Division's regulator station maintenance records and found that Sierra Division failed to provide any evidence of corrective actions performed in maintenance records or SAP since the effective date of Utility Procedure TD-4540B-004 (02/12/2018) until SED's finding on 3/25/2019. PG&E did not create notification or replace the bolts of Fisher 627 regulators with a manufacture year of 2011 during routine maintenance for the following regulator stations per TD-4540B-004:

R-103 Notification 116845546 replaced the Fisher 627 bolts on 3/26/2019. (Maintenance occurred on 5/8/18)

R-213 Notification 116840990 replaced the Fisher 627 bolts on 3/26/2019. (Maintenance occurred on 2/1/19)

R-219 Notification 116851443 replaced the Fisher 627 bolts on 3/27/2019. (Maintenance occurred on 1/2/19)

R-222 Notification 116840991 replaced the Fisher 627 bolts on 3/26/2019. (Maintenance occurred on 1/4/19)

Concerns

Pipeline Field Inspection: Pipeline Inspection (Field) (FR.FIELDPIPE)

Question Text Are methods used for taking CP monitoring readings that allow for the application of appropriate CP monitoring criteria?

References 192.465(a) (192.463(b), 192.463(c))

Assets Covered Sierra Division (86280 (14))

Issue Summary During the field inspection, the following three locations did not meet the requirement of TD-4181S (minimum -850mV criterion) and TD-4181P-202 (Cathodic Overprotection):

122 Oak St -576 mV

9715 Oak Leaf Way -849 mV

551 Coyote St. -2801 mV On / -1328 mV Off

Please provide SED with status of corrective actions.