

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 29, 2022

Christine Cowsert  
VP, Gas Asset Management and System Operations  
Pacific Gas and Electric Company  
Gas Transmission and Distribution Operations  
6121 Bollinger Canyon Road  
San Ramon, CA 94583

GI-2022-09-PGE-75-15

SUBJECT: General Order (GO) 112-F Gas Inspection of PG&E's Storage Fields

Dear Ms. Cowsert,

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC), Randy Feinberg, Matthew Shaffer, Mohammad Nouredine, and Angel Garcia conducted a General Order (G.O.) 112-F inspection of Pacific Gas & Electric Company's (PG&E) Los Medanos Storage Field and McDonald Island Storage Field, from October 10 to 14, 2022. The inspection included a review of the operation and maintenance records and field inspections of the two storage fields.

SED staff identified one (1) probable violation of G.O. 112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192, and noted seven (7) areas of concern which are described in the attached "Post-Inspection Written Preliminary Findings" report. The summary reflects only those records and pipeline facilities that SED inspected.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by PG&E to address the violation and concerns noted in the Summary.

If you have any questions, please contact Angel Garcia at (916) 205-9818 or by email at [an7@cpuc.ca.gov](mailto:an7@cpuc.ca.gov).

Sincerely,

A handwritten signature in blue ink that reads "Terence Eng".

Terence Eng, P.E.  
Program Manager  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

Enclosure: Post-Inspection Written Preliminary Findings

cc: Susie Richmond, PG&E Gas Regulatory Compliance  
Paul Camarena, PG&E Gas Regulatory Compliance  
Matthewson Epuna, SED  
Claudia Almengor, SED

# Post-Inspection Written Preliminary Findings

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**Date of Transmittal:** 11/15/2022

**Dates of Inspection:** October 10, 2022 to October 14, 2022

**Operator:** PACIFIC GAS & ELECTRIC CO

**Operator ID:** 15007 (primary)

**Inspection Systems:** Storage Fields

**Assets (Unit IDs) with results in this report:** McDonald Island (88724); Los Medanos (88725)

**System Type:** GT

**Inspection Name:** PG&E Storage Audit 2018 to 2021

**Lead Inspector:** Angel Garcia

**Operator Representative:** Justin Leany

## Unsatisfactory Results

### Facilities and Storage : Gas Storage Field (Aboveground) (FS.GS)

Question Title, ID Storage Field External Corrosion Control and Monitoring, FS.GS.STORAGEECP.R

Question 4. Do records indicate that field piping and related storage field facilities are cathodically protected?

References 192.491(c) (192.455(a), 192.457(a), 192.465(a))

Assets Covered McDonald Island (88724 (45200001))

Issue Summary SED reviewed PG&E's Cathodic Protection Monitoring records that PG&E provided pursuant to GSRB's pre-audit data request GS#15. SED noted that multiple CP read points were out of tolerance for consecutive years starting from 2018 through 2021. The following CPA read points were out of tolerance and exceeded the 60-day remediation timeline from the discovery date as prescribed in PG&E's gas standard TD-4181P-201 for CP pipe-to-soil reads that are out of tolerance: 41391795, 41391807, 41391814,

41391821, 41391838, 41391845, 41391853, 41447287, 41454357, 41454364, 41454401, 41454410, 41454416, 41454439, 41454447, 41454454, and 41454463.

PG&E's gas standard TD-4181P-201, section 3.0 "Cathodic Protection Restoration", paragraph 3.1.1.c states in part: "Restore CPAs within 60 calendar days from the date they are found to be below adequate levels of protection, barring extenuating circumstances."

Also, PG&E's gas standard TD-4181S section 8.2 states in part that "CP Areas must be restored within 60 calendar days from the date they are found to be inadequately protected, barring extenuating circumstances."

Furthermore, section 8.3.1 of the gas standard states in part: "IF the CPA restoration work will exceed 60 days due to extenuating circumstances, THEN within 60 calendar days from the date the CPA is found below adequate levels of protection, local corrosion operations must document the activity needed to restore the CPA...". Also, Section 8.3.2 of the gas standard states that for CPA restoration work over 60 days: "The documentation must include the following information, as applicable: Extenuating circumstances to the extent known".

*Examples of acceptable extenuating circumstances may include personnel safety, public safety, population density, environmental concerns, climatic conditions, material availability, government permitting processes, and land acquisition requirements*

The G.O. 112-F Reference Title 49 CFR, Part 192 Section 192.605(a) **General** 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....."

PG&E failed to restore and/or provide the necessary documentation of extenuating circumstances that prevented it from remediating the out of tolerance CPA's within 60 days as outlined in TD-4181S and TD-4181P-201.

Therefore, PG&E is in probable violation of G.O. 112-F Reference Title 49 CFR, Part 192 Section 192.605(a).

## Concerns

### Design and Construction: Design of Compressor Stations (DC.DPCCMP)

Question Title, ID Compressor Stations - Additional Safety Equipment, DC.DPCCMP.CMP SAFETY EQUIP.O

Question 15. Do field observations confirm that design and construction of additional compressor station safety equipment meet the requirements of 192.171?

References 192.171 (192.141, 192.143)

Assets Covered McDonald Island (88724 (45200001))

Issue Summary SED was concerned that some bolts on the Valve flange WS-9-E, on a well at Whisky Slough, did not have full thread engagement.

PG&E's gas standard B-45.4, Section 2.1, Part E, states in part: "Bolts/studs must be fully engaged and extend completely through the nuts, with a recommended minimum of one thread exposed. Any excess thread protruding beyond the nut face should be minimized with a recommendation, not to exceed 1/2 inch (in.) beyond nut face..."

PG&E is aware of SED's concern that some Bolts/studs on valve flanges were not fully engaged and did not extend completely through the nuts at its McDonald Island Storage Field and Compressor Station. PG&E's crew informed SED that it will work on reengaging the bolts as they discover those that are not fully engaged as prescribed in its gas standard.

Assets Covered Los Medanos (88725 (43003001))

Issue Summary SED was concerned that some bolts on the flange of the compressor suction inlet and Valve flange V-102, did not have full thread engagement.

PG&E's gas standard B-45.4, Section 2.1, Part E, states in part: "Bolts/studs must be fully engaged and extend completely through the nuts, with a recommended minimum of one thread exposed. Any excess thread protruding beyond the nut face should be minimized with a recommendation, not to exceed 1/2 inch (in.) beyond nut face."

PG&E is aware of the SED's concern that some Bolts/studs on valve flanges were not fully engaged and did not extend completely through the nuts at its Los Medanos Storage Field and Compressor Station. PG&E informed SED that it will work on reengaging the bolts as it discovers those that are not fully engaged as prescribed in its gas standard.

## Facilities and Storage : Gas Storage Field (Aboveground) (FS.GS)

Question Title, ID Storage field Atmospheric Corrosion Monitoring, FS.GS.STORAGEATM.R

Question 2. Do records document inspection of aboveground pipe located in storage fields for atmospheric corrosion?

References 192.491(c) (192.481(a), 192.481(b), 192.481(c))

Assets Covered Los Medanos (88725 (43003001))

Issue Summary SED staff observed Atmospheric corrosion on the glycol dehydrator during field inspections. PG&E indicated it will remediate and incorporate more atmospheric corrosion controls.

Assets Covered McDonald Island (88724 (45200001))

Issue Summary SED staff observed Atmospheric corrosion on the glycol dehydrator during field inspections. PG&E indicated it will remediate and incorporate more atmospheric corrosion controls.

Question Title, ID Storage Field External Corrosion Control and Monitoring, FS.GS.STORAGEECP.O

Question 5. Are the cathodic protection practices for field piping and related storage field facilities adequate?

References 192.463(a)

Assets Covered Los Medanos (88725 (43003001))

Issue Summary During the field inspection at Los Medanos Storage field, SED staff observed a rectifier (equipment ID's 43597986) pulsing. PG&E's field personnel could not determine the reason the rectifier was pulsing but indicated that there might be related pipeline maintenance activities in the area. There were no visible signs of CP or construction activity noted during the facility inspection at Los Medanos. PG&E indicated that it will investigate.

Assets Covered McDonald Island (88724 (45200001))

Issue Summary During the field inspection at McDonald Island Storage field, SED staff observed a rectifier (equipment ID's 44212259) pulsing. PG&E's field personnel could not determine the reason for the rectifier pulsing other than to offer theory that there might be on-going maintenance or the construction activity that was observed in the area.

## Facilities and Storage : Valves (FS.VA)

Question Title, ID Valve Maintenance, FS.VA.CMPVLVMMAINT.O

Question 3. Are transmission line valves maintained as required?

References 192.745(a) (192.745(b))

Assets Covered Los Medanos (88725 (43003001))

Issue Summary SED staff observed that some valves that are critical to safe operation at Los Medanos storage field were not tagged.

PG&E's gas standard TD-4251S, states in part: "all maintained critical valves must be tagged.....". Although, these valves were classified as Critical valves. PG&E began the same day, tagging

the valves that are critical to the operation that lacked tags. PG&E indicated it will continue to tag these valves that lacked tags. SED considers this concern resolved but may review during future inspections.

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