PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

July 30, 2015

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-2015-05-PGE19-01A

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

Dear Mr. Singh:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission, Paul Penney and Nathan Sarina conducted a General Order 112-F inspection of Pacific Gas & Electric Company's (PG&E) Burney District (District) from May 11-15, 2015. The inspection included a review of the District's corrosion records for the period of 2012 through 2014, as well as a representative field sample of the District's facilities at randomly selected locations throughout the District.

SED's findings are noted in the Summary of Inspection Findings (Summary) which is enclosed with this letter. The Summary reflects only those records and pipeline facilities that SED inspected during the safety 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, concerns and recommendations noted in the Summary.

If you have any questions, please contact Paul Penney at (415) 703-1817 or by email at Paul.Penney@cpuc.ca.gov.

Sincerely,

Kenneth A. Bruno

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

Enclosure: Summary of Inspection Findings

cc: Mike McLaughlin, PG&E Gas Regulatory Support
Glen Allen, PG&E Gas Regulatory Support

SUMMARY OF INSPECTION FINDINGS

I. Probable Violations

A. PG&E's Internal Audit Findings

During the inspection, PG&E provided SED staff with its findings from the internal review it conducted of the Burney District.

Table 1 lists all of the findings from PG&E's internal review. 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).

SED staff noted that some of the findings were corrected prior to the inspection. For those items not corrected prior to the inspection, please provide an update on PG&E's progress to complete the corrective actions.

Table 1: PG&E's Burney District Internal Review

Item	Finding Description	# of findings	# of Pending Corrections (as of 5/15/15)	Remediation Date
1	Burney district internal reviews found the following suspect native soil fully off reads: (a) May 2013, L-400, MP11.45, Instant off read of -0.33; (b) May 2013, L-400, MP12.61, Instant off read of -0.29.	2	0	5/7/15
2	TEG Rectifiers are DC only, annual site evaluations are recorded on Pole-Mount / Pedestal-Mount Rectifier Test and Site Evaluation Form (FO-11.1A) which require AC information: (a) 180 TEG on L-401 @ MP 42.08 2014 AC information for grounding does not match other years; (b) 179 TEG on L-400 @ MP 42.08 2014 AC information for grounding does not match other years.	2	2	Pending
3	Burney District internal reviews found a Casing contact on L-400 @ MP25.65	1	1	Pending

Table 2: PG&E's Burney District Internal Review (continued)

Item	Finding Description	# of findings/ Violations	# of Pending Corrections (as of 5/15/15)	Remediation Date
4	Burney District internal reviews found the following valves with semi-annual valve maintenance not documented on the valve maintenance record: (a) October 2014 Ruby; V-0.02, V-0.03, valve maintenance was successfully documented during the next maintenance cycle (b) October 2013 Tionesta; V-6, V-0.03, valve maintenance was successfully documented during the next maintenance cycle.	2	0	5/7/15
5	Burney District internal reviews found the following valve with semiannual valve operation indicated as "NO" during the October 2013 maintenance on the valve maintenance records: (a) Burney V-P	1	0	5/7/15
6	Burney District internal reviews found the following (15) valves that were not lubed during annual maintenance. (a) V-25 at the Burney compressor station was not lubed. (b) V-A, V-B on L-400, MP16 were not lubed in 2012 (c) V-A, V-B on L-400, MP30 were not lubed in 2012 (d) V-A, V-B on L-400, MP65 were not lubed in 2012 (e) T-42.06 on L-400, MP42 was not lubed in 2012 and 2013 (f) T-80.98 on L-401, MP80 was not lubed in 2013 (g) T-69.36 on L-400, MP69 was not lubed in 2012, 2013 and 2014 (h) T-85.51 on L-400, MP85 was not lubed in 2012 and 2013.	15	0	5/7/15
7	Burney District internal reviews found the following valve maintenance record lube column left blank during annual maintenance in 2012: (a) MLV-48.65, L-400	1	0	5/7/15

Table 3: PG&E's Burney District Internal Review (continued)

Item	Finding Description	# of findings/ Violations	# of Pending Corrections (as of 5/15/15)	Remediation Date
8	Burney District internal reviews found (2) instances of maintenance records transferred from PLM onto valve maintenance records for prior maintenance performed: Tionesta V-4, V-5	2	0	5/7/15
8[1]	Burney District internal reviews found the following valve which were replaced with no new valve maintenance records created for the new valve: L-400 T-68.13, T114.30	2	2	Pending
9	Burney District internal reviews found all district valve data sheets have corrections made without initials.	Multiple	Multiple	Pending
10	Burney District internal reviews found tap valve 68.13 L-400 which had broken stops during valve operation in July 2012.	1	0	5/7/15
11	Burney District internal reviews found the following stations with relief and regulator valve maintenance forms with missing MAOP, MPDP or normal set pressure. (a) Tionesta relief valve, V-L, MAOP, MPDP and set pressure do not match calc that was performed in 2013. calculation for 2014 was documented on the previous calculation. New cal for 2013 also stated there were no changes. (b) Tionesta relief valve, V-M, MAOP, MPDP and set pressure do not match calc that was performed in 2013. calculation for 2014 was documented on the previous calculation. New cal for 2013 state there were no changes. New calc also states it is for V-S not V-M (c) Tionesta relief valve, V-S, MAOP, MPDP and set pressure do not match calc that was performed in 2013. calculation for 2014 was documented on the previous calculation. New cal for 2013 states there were no changes. (d) Burney relief valve, V-J, MPDP and	9	0	5/6/15

[1] The internal review findings had an error in the numbering. The numbering is reproduced here for consistence with PG&E's numbering.

	max set pressure do not match new calculation. (e) Burney relief valve, V-K, MPDP and max set pressure do not match new calculation (f) Burney relief valve, V-U, MPDP and max set pressure do not match new calculation (g) Burney relief valve, PSV-135s, has been changed on relief card and calculation without initials. Relief valve was replaced in 2014, model number should be verified to insure the card and calculation match the new relief. New relief card should be made. (h) Burney relief valve, PSV-136s, new relief valve was replaced on 3/16/15 with a different model number. New calculation needs to be performed by engineering. (i) Burney relief valve, PSV-197s, relief changed 12/11/14 calculations do not match new relief. Maximum Set Pressure blank.			
12	Burney District internal reviews found the following relief valves were set above maximum set pressure. (a) June 2014, Maintenance at Indian Springs, PSV-1, maximum (relief) set pressure 425 pisg relief set to 426 pisg.. (b) June 2014, Maintenance at Indian Springs, PSV-4, maximum (relief) set pressure 425 pisg relief set to 426 pisg.	2	0	2/27/15
13	Burney District internal reviews found the following station leak survey or pipeline survey have corrections made on the form without initials. (a) May 2013, Burney Compressor Station, station leak survey date changed without initials. (b) June 2014, Line 400 pipeline leak survey 4 corrections without initials.	2	0	5/7/15

Table 1: PG&E's Burney District Internal Review (continued)

Item	Finding Description	# of findings/ Violations	# of Pending Corrections (as of 2/6/15)	Remediation Date
14	Burney District internal reviews found the following tools with monthly calibrations that were not documented on: (a) RMLD 800101006 calibration was not documented daily from Jan through July of 2013. (b) RMLD 9001224020 calibration missing calibration or NU for May 13, 2014 and May14, 2014 (c) Pipe Locator 48626 calibration form is missing known baseline signal strength and depth on table 3. (d) Pipe Locator 49682 calibration form is missing known baseline signal strength and depth on table 3. Previous years baseline of 814 dB was not transferred to 2015 which is documented as 885 dB. Also missing location of calibration for April 2015. (e) Copper/Copper Electrode Half Cell (bar id: BNBTE0200) missed calibration for Q1 exceeding 4 1/2 months, also exceeded 4 1/2 months from 4/1/14 to 9/3/14. (f) Copper/Copper Electrode Half Cell (bar id: BNBTE0210) missed calibration for Q1 exceeding 4 1/2 months. (g) Copper/Copper Electrode Half Cell (bar id: BNBTE0220) missed calibration for Q1 exceeding 4 1/2 months. (h) Pipe Locator 171081202626 missed calibration for Feb and Mar 2013. (i) Pipe Locator 171081202597 missed calibration for Jan, Feb and Mar 2013. Locator exceeded allowable baseline signal strength difference for May, June, July, Nov, and Dec of 2014. Baseline signal strength change from 33dB in Dec 2013 to 59.6 in Jan 2014 (j) Pipe Locator 171081202602 calibration not documented for Jan, Feb, and Mar 2013. Locator exceeded allowable baseline signal	Multiple	0	5/7/15

	strength difference (15%) for Sept, Oct, and Nov 2013.			

Table 1: PG&E's Burney District Internal Review (continued)

Item	Finding Description	# of findings/ Violations	# of Pending Corrections (as of 2/6/15)	Remediation Date
15	Burney District internal reviews found noted deficiency w/o W/R, explanation or follow-up not completed in a timely manner. (a) Burney Compressor Station, March 2015, ESD Test incomplete; Valves GOV-1B and GOV-2B were under clearance and not able to be operated. No Follow up work request at time of review (b) Burney Compressor Station, April 2014, failed SOV during ESD test. (W/R 203028)	Multiple	0	Pending 3/18/15

B. SED Findings
There were no violations found during the inspection.

II. Concerns and Recommendations

1. While doing field work at the Tionesta compressor station, we noted two valves with low pipe-to-soil reads. Those valves were V-5 (710mV) and V-K (710mV). Title 49 CFR §192.463(a) requires operators to provide cathodic protection consistent with one or more of the applicable criteria in Appendix D, and Title 49 CFR §192.465(d) requires operators to take prompt remedial action to correct deficiencies found. Please provide documentation verifying that PG&E has restored cathodic protection levels to one or more criteria identified in Appendix D.

2. In data request 14, we asked PG&E to determine if there is a casing on L-400 across the street from MP 83.31, and to demonstrate that PG&E has been monitoring the casing if it is present.

   PG&E stated in its response: *"Attached, please find PG&E Drawing 145418 indicating that there is a casing on Transmission line 400 across the street from MP 83.31. This casing, Bar ID BNCP00570, was monitored until 5/14/2009 at which time the read type was changed from "casing" to "850 on". It has been monitored as a "850 on" read until the present. During the CPUC inspection on 5/13/14, the casing potential was read as -208 mv, and therefore is electrically isolated from the carrier pipe. On 5/19/15, this read type was changed back to a casing read. See attached reads for Bar ID BNCP00570."*

   After review of the cathodic protection run report (dated 5-19-15), SED staff has a number of follow-up questions:

2.1 Are instant off reads a separate OQ task?
2.2 If so, were all the corrosion mechanics who took the instant off reads between 2009 and 2014 qualified to do so?
2.3 Is there a process in place to allow the corrosion mechanics to correct what is being read if field conditions do not match what is being asked for in the paperwork? If so, please describe the process.

3. While doing field work on L-401 at MP 121.6, SED staff noted multiple leads coming on the ETS. What are the reads being measured?