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May 4, 2015

Mr. Ken Bruno
Gas Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: State of California – Public Utilities Commission
General Order 112-E Audit – PG&E's East Bay Division

Dear Mr. Bruno:

The Safety and Enforcement Division (SED) of the CPUC conducted a General Order 112-E audit of PG&E's East Bay Division from September 15 through September 29, 2014. On April 3, 2015, the SED submitted their audit report, identifying probable violations, findings and areas of concern. Attached is PG&E's response to the CPUC audit report.

Please contact Cheryl Dizon at (925) 328-5721 or c1dz@pge.com for any questions you may have regarding this response.

Sincerely,

/S/
Larry Deniston

Attachments

cc: Aimee Cauguiran , CPUC
Dennis Lee, CPUC
Mike Falk, PG&E
Sumeet Singh, PG&E

2014 East Bay Division Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV Internal Findings	1	Corrosion (2013: 1): - Missed Maintenance, CPA C7-63: A folder was never made up for this CPA. Action plan needs to be updated; area found down 4/2/2013 and is still currently down waiting to be replaced. Tailboard employees on action plan process.	The steel service at 6100 Moraga Ave is in contact with a foreign structure, therefore a project is in place (Reference Notification #110197527) to replace the service with plastic. Expected completion date is July 17, 2015. On September 9, 2014 East Bay Division corrosion held a stand down. The employees were tailboarded on several topics, which included the requirements of the CPA action plan process. Attendance sheet is attached.	EB_IF 1 CorrosionCONF.pdf
NOV Internal Findings	2	Casings (2012-13: 18): - Missed Maintenance: Continue to investigate and complete missed maintenance.	Casings: (41397216 41397180 41398413 41398403 42649038 42649038 41396166 41396175 41396175 41396184 41423579 41405332 41404537 41403883 41403901 41417962 41420465 41421527) The required inspection was completed by December 2014 at all listed casing locations.	N/A
NOV Internal Findings	3	Idle Stubs (5): 5 idle stubs were not cutoff after 1 year of determining that cutoff was required. The deadline for the cutoffs was 6/28/14.	Idle Stubs: All 5 idle stubs were cut off on December 18, 2014 under PM 31033824 PG&E is currently transitioning to a Geographical Information System (GIS) program, PathFinder, which will interface with SAP and provide a consistent means of identifying and scheduling work.	N/A
NOV	1.1	1.1 Internal surface not inspected Title 49 Code of Federal Regulations §192.475 (b) states that: "Whenever any pipe is removed from a pipeline for any reason, the internal surface must be inspected for evidence of corrosion. ... " PG&E procedure 0 -16, Section 9(A) states: "Whenever steel pipe is removed from a pipeline. it and the adjacent pipe must be inspected and evaluated to determine the presence and extent of any internal corrosion ... " (a) SED staff reviewed construction records for three distribution projects: PM#s 30956473, 30902500 and 30956569. SED found that no internal surface inspections were performed when the pipe was exposed during the construction projects with PM#s 30956473 and 30956569. (b) In addition, internal surface inspections were not performed during the repairs on steel pipeline for leak #s 28-12-22037-1, 28-12-22031-1 and 28-13-24020-1.	The Mariner Asset Maintenance Local Transmission and Distribution deployment started in May 2014. As part of the Mariner Program, additional controls for proper maintenance documentation were implemented with deployment of mobile devices to electronically record leak repair (A-Form) and inspection (Inspection Only application) by crew foremen in the field. Mobile Devices for leak repair and inspections were deployed system-wide October 13, 2014. The mobile devices directly update the SAP Corrective Maintenance tool. SAP has validations that will not allow for corrective maintenance to be prematurely or inadvertently closed without proper entry by maintenance personnel. This software requires certain fields, such as internal corrosion inspection of metallic pipe, to be completed in order to close out the maintenance activity. Additionally, the current solution provides an "Inspection Only" paper form that can be completed if the job is not related to a leak repair (A-Form) and was not completed on a mobile device. The inspection form information can be entered directly into SAP. The question "Internal Surface is Visible - yes/no" is always required. If the answer is yes, SAP requires inspection information. If the corrective job is completed on mobile, the mobile application also provides the ability to enter inspection information for exposed pipe and includes similar validations.	N/A
NOV	1.2	1.2. Yearly locations not established PG&E procedure 0-16, Section 4(D) states: "Yearly Reads: Yearly P/S on-potential monitoring points shall be established on distribution piping CPAs in the following circumstances: • Establish yearly monitoring points at all locations where the failure of a locating wire will cause a section of steel main to become isolated and not be detected by bimonthly monitoring. • Where a regulator station is tied to a CPA via a wire, the regulator station shall be established as a yearly" SED observed that yearly locations were not established for the following Cathodic Protection Areas (CPA): - CPA C7-13, 3 locations: (1) A service off of Hillview, (2) A section of main on the North End of Jordan Rd., (3) A main tapped off of the main on Carlsen St. - CPA C7-23, 2 locations: (1) Along Mandela Parkway, South of 15 St., (2) On Cedar, near 9th. - CPA B2-39, 1 locations: 38th Avenue - CPA B1-21, 2 locations: El Sobrante (plat E-14) and San Pablo Dam road and Contra Costa road (plat F-13) - CPA B3-11, 3 locations: 1.Ramona (labeled R Y -4), 2. Intersection of Portland and Santa Fe (labeled RY-5), 3. Intersection of Portland and Curtis (RY -6). - CPA B41-6, 1 location: 2454 San Pablo. It was just entered in SAP - CPA B1-3, 1 location: Parr Boulevard Richmond (Plat D-7 and D-8). It was identified during CPA resurvey on 8/1/2009 - CPA B1-12, 1 locations: Tyler (Plat E-10). It was identified during the CPA resurvey on 09/26/2010.	PG&E established yearly monitoring locations for all the listed monitoring locations by September 2014 and added them to SAP and CPA maps. SAP generated Maintenance Forms with the most recent reads are attached. All locations were determined to be under cathodic protection, protected by the surrounding CP system. PG&E is currently improving its process to ensure that existing CP systems are being maintained and are providing adequate cathodic protection to the pipe that is tied to it, especially when modifications to the connected equipment are made.	EB_NOV1.2_C7 13_CONF.pdf EB_NOV1.2_C7 23_CONF.pdf EB_NOV1.2_B2 39_CONF.pdf EB_NOV1.2_B1 21_CONF.pdf EB_NOV1.2_B3 11_CONF.pdf EB_NOV1.2_B41 6_CONF.pdf EB_NOV1.2_B1 3_CONF.pdf EB_NOV1.2_B1 12_CONF.pdf

2014 East Bay Division Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV	1.3	1.3 P/S locations not monitored Title 49 Code of Federal Regulations §192.465 External corrosion control: Monitoring. States: "(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of §192.463 ..." SED found that there are two galvanic systems where certain locations are not being monitored. These include Map C7-9 (four locations) and Map C7-27 (one location).	C7-27 is 6150 Johnston Dr. (Reference Notification #110193696) is a yearly protected by impressed current and is therefore part of an existing Cathodic Protection Area. It is not a separate, galvanically-protected Cathodic Protection Area and has been placed in our maintenance plan to be read yearly. Monitoring locations associated with Map C7-9 have been added to SAP and CPA maps. The associated Maintenance sheet is attached	EB_NOV1.3_C7 9_CONF.pdf
NOV	1.4	1.4. 10% locations not monitored within 10-year period Title 49 Code of Federal Regulations § 192.465 states: " ... However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period. " PG&E procedure O-16, Section (5)(A)(3) states: "Monitor individual isolated services of any length at least once each 10 years. This includes individual buried, metallic fittings, PG&E-owned gas house lines, and isolated main segments less than 100' long. Monitor at least 10% of all such facilities each year. Each successive year, monitor a different selection of at least 10% of the facilities. Any "10%er" read that is found to be less negative than -850 mV must be restored within 30 calendar days from the day it is discovered. (a) SED found that dates between previous read and 2013 is greater than 10 years for the following 15 locations below: 41271954, 41271955, 41271956, 41271957, 41271980, 41271981, 41271982, 41271983, 41271984, 41271985, 41271986, 41271987, 41271988, 41271989, 41271990 (b) No previous read dates for one location at 979 Jones (ID: #41271019) (c) SED reviewed Division's 2012 and 2013 10%ers records and requested a similar list to verify the compliance of test locations, which were checked in the last 10 years. However, Division was unable to provide the previous records to show the compliance of corrosion checks conducted in the last 10 years. SED determined that in order to verify the compliance of the locations, which were checked from 2012 through 2013, Division must provide complete records showing all readings recorded in the prior 10 years. Hence, SED determined that Division could not demonstrate its compliance.	(a) PG&E believes these locations were monitored in 2003, but has not located corresponding records. (b) PG&E respectfully disagrees with this finding. This 10%er location at 979 Jones in Richmond was read on February 27, 2012, with a reading of -1181 mV (Reference Notification 105959267). Prior to that, it was read in March 2002, with a reading of -1265 mV per PG&E's prior maintenance tracking system, Gas FM. (c)Gas FM contained limited data fields to show historic information therefore when the data was migrated into SAP only the information that was available at the time of migration was included. Additionally, if 10%er locations were added to the system there was indication of such activity. The Isolated steel monitoring program has been fully migrated into SAP for scheduling and compliance monitoring. Annual Reports are now able to be printed, documenting the history of the Isolated Steel Assets.	N/A

2014 East Bay Division Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV	1.5	1.5. Casings (i) PG&E procedure O-16, Section G, Casing Monitoring and Maintenance States: "Local transmission, backbone transmission pipelines, and gas gathering pipeline cased crossings must be monitored annually (once each calendar year with intervals not to exceed 15 months) ..." SED found during the audit that: (a) Casings P/S read was performed late for the following casing locations between 2012 and 2013: 41423315 and 41397224 (b) Multiple casings P/S not read in 2012 and 2013. 2012: 41403892, 41425761, 41425844, 41406514 2013: 41403892, 41397284, 42721891, 41425854, 41425711, 41425718, 41425725, 41425732, 41425738, 41425746, 41425769, 41425776, 41425783, 41425790, 41425798, 41425806, 41425814, 41425861, 41425874, 41425882, 41406514 (ii) Title 49 Code of Federal Regulations §192.467(a) states: "Each buried or submerged pipeline must be electrically isolated from other underground metallic structures, unless the pipeline and the other structures are electrically interconnected and cathodically protected as a single unit." PG&E procedure 0-16, Section G, Casing Monitoring and Maintenance states that: " ... Cased pipeline crossings that are found to be contacted (the casing is in electrical contact with the pipeline) shall be reported to corrosion engineering personnel within 30 days of discovery of the contact..." SED observed that: (a) No corrective action was performed for the casing reads found out of compliance for the year 2012 and 2013 for casing 41396858 (b) Multiple casings were found out of compliance (low pipe reads) without follow-up corrective actions - ID 42649038: Read date 5/2/2013 - ID 41397198: Read date 12/7/2012 - ID 41397235: Read dates 12/7/2012 & 12/12/2013 - ID 41416736: Read date 12/8/2012	(i)(a) PG&E respectfully disagrees with this finding. The Preventive Maintenance notification in SAP was completed in error in the work management system indicating that the assessment was performed on December 9, 2013. Casing 41423315 was actually read on August 29, 2013 (with a result of "No Contact") which meets the required maintenance interval in O-16. The work management system has been updated to accurately reflect the 2013 preventive maintenance assessment that occurred in the field. 41397224 was identified as a casing without leads. Casing locations without vents or read points will be monitored annually through improved alternative inspection and testing techniques to check for electrical isolation. Any identified issues will be mitigated as appropriate in accordance with PG&E Standard O-16, "Corrosion Control of Facilities" and PG&E Work Procedure WP4133-04, "Remediating Casing Contacts. (i)(b) As a corrective measure, casing reads have been taken at the following locations in 2014: 41425761, 41425844, 41397284, 41425854. The rest have been identified as casings without leads and readings are documented in SAP. (ii)(a) PG&E Project Number 30960604 "Casing Remediation L-105B MP 4.70", which is associated with casing 41396858, is scheduled to be completed September 2015 (b) Below is the status of remediation for each casing - 42649038: Mobilization for repair is scheduled for June 2015 41397198: Mobilization for repair is scheduled for June 2015 41397235: This was read on 02.18.14 and indicated no contact 41416736: This was read on 12.12.13 and 2.18.14. Both indicated no contact.	N/A
NOV	1.6	1.6. Inadequate Cathodic Monitoring Test Locations Title 49 Code of Federal Regulations § 192.469 External corrosion control: Test stations states: "Each pipeline under cathodic protection required by this subpart must have sufficient test stations or other contact points for electrical measurement to determine the adequacy of cathodic protection." PG&E procedure O-16, Section 4(B) states: "Pipe-to-Soil Test Locations: Gas distribution test locations selected for monitoring cathodic protection effectiveness shall be at locations where the level of protection is the lowest for that CPA or shall be at locations where the loss of effective CP in the CPA would be detected" SED observed the following CPAs with only one established test location: (a) B1-26 This CPA only has one test location at 300 Gertrude Avenue; the farthest location from the rectifier would be by the San Pablo Regulator Station. (b) B5-32 There is only one test location at 1106 Portland Avenue, El Cerrito. The rectifier located at N/W corner of Kains St & Garfield Ave appears to be protecting a five-block area and the farthest location from rectifier is near Marin Avenue. (c) B41-9 The rectifier is located at Merchant Avenue and Kendall Avenue, Crockett. There is only one test location at the Nantucket Restaurant in Crockett. Unless PG&E can provide documentation to demonstrate that the established test locations are at the lowest level of protection for that particular CPA or that the single test location can sufficiently detect a loss of CP in the CPA, PG&E must establish additional test locations to demonstrate adequacy of CP throughout the CPA. After the audit, PG&E through an email has conveyed that it has established two additional test locations for the CPA area B41-9 and one for the CPA area B5-32.	As communicated to the CPUC following the Audit, PG&E established two additional test locations for CPA area B41-9 and one for CPA area B5-32 in resolution of this issue. Furthermore, PG&E established one additional test location in CPA B1-26 at 2000 Rumrill Blvd.	N/A

2014 East Bay Division Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV	1.7	1.7. Calibration PG&E procedure M53.3 (page 1) states in part that: "Verifying Calibration ofCGIs: Check the calibration of regularly used CGI gas detectors at least once a month..." PG&E procedure TD-4110P-25, section 2.7 "Running the Self-Test", part 1 states that "Every day the DP-IR is in service, personnel must verify the instrument's calibration prior to use by performing the following self-test..." PG&E procedure, TD-4110P-21, section 2.2. states that: "Regularly verify the calibration of portable HFI units, OMDs, RMLDs, and IR detectors according to the frequencies specified in Table 1 below..." During the audit, SED noted that various leak detection equipment were not calibrated as required or noted that the equipment was out of service: (a) Leak survey equipment DP-IR were not calibrated daily as required: - Equipment #0004: 08/13; Richmond - Equipment #0005: 8/12, 10/12, 2/13, 3/13; Richmond - Equipment #3002: 06/13; Richmond - Equipment #0008: 09/13; Richmond - Equipment #4011: 2/13, 4/13, 5/13; Richmond - Equipment #9001144010: 4/13, 7/13, 8/13; Oakport - Equipment #9001144011: 12/12; Oakport - Equipment #8101021006: 7/13, 8/13; Oakport (b) Heath DP-4 not calibrated once a week as required: - Equipment #1500903010: 02/12; Oakport - Equipment #1500914006: 06/12; Oakport (c) CGIs not calibrated correctly: - Equipment #4118: 7/12, 8/12; Richmond - Equipment #4062: 7/12, 8/12; Richmond	PG&E's initiated a system-wide process in mid-2014, to generate weekly work notification tickets in SAP for the calibration of each instrument. Along with the inputting of calibration completion, mapping cannot close the completion of leak survey on each map without calibrations record inputted into SAP for the instrument(s) used to leak survey that map. SAP also tracks units being out of service. Going forward, these required steps in SAP will help ensure leak survey instrument calibration and/or confirmation of the unit being out of service is documented.	N/A
NOV	1.8	1.8. Valves Title 49 of Code of Federal Regulations, § 192.747 Valve maintenance: Distribution systems states: "(b) Each operator must take prompt remedial action to correct any valve found inoperable, unless the operator designates an alternative valve." PG&E procedure, TD-4430B-001, page-2 states: "Upon discovery of an inoperable valve the following procedure applies. A. Complete AMC procedure for inoperable valves which are not promptly repaired (see Attachment 2 for an example of an AMC)... C. All emergency valves found inoperable must be restored to service within 12 months of the finding, or obtain written documentation that the valve is no longer needed... " SED found that valve FV-09 at Regulator Station RA-15 is frozen since 7/18/2013. It is also an Emergency valve and no Alternate Means of Control (AMC) was established. However, the valve maintenance sheet has a note on 08/18/2014 that a request for replacing the valve is in place.	Valve FV-09 was replaced in December 2014 (PM 31035792).	N/A

2014 East Bay Division Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
NOV	1.9	1.9. Mapping/Record keeping Issues Title 49 of the Code of Federal Regulations, §192.605(b)(3) states that: "making construction records, maps and operating history available to appropriate operating personnel" Additionally, PHMSA ADB-02-03 states: "Owners and operators of gas distribution, gas transmission, and hazardous liquid pipeline systems should ensure that accurate construction records, maps, and operating history are available to appropriate operating, maintenance, and emergency response personnel... ", it further adds that, "RSPA urges every pipeline operator to ... (2) keep these maps and records up-to-date as pipeline construction and modifications take place;..." PHMSA ADB-02-03 also reminds Operators of their responsibility to maintain construction records, maps, and operating history and to make this information available to appropriate operating personnel to enable them to safely and effectively perform their duties. During the field visit, SED observed that the records available with PG&E staff did not accurately reflect the conditions of assets in the field. (a) The records for the following valves were inconsistent with the field conditions. - Valve A-51, Martin Luther King Jr Way and 61st Street: The valve card record showed this to be a 12" valve; however, during field inspection, it did not appear to be of this size. PG&E staff stated that it would be investigated further. - Valve W-34, Foothill Blvd and 35th Avenue Oakland (SAP# 41280746): The valve card records showed its 35th Avenue Oakland normal position "CLOSED" but (SAP# 41280746) maintenance sheets record showed 'As Found (AF)' and 'As Left (AL)' positions as "OPEN". Valve was also open at the time of the field visit. This was brought to the attention of PG&E staff and a change was made on valve card sheet on 9/29/14 to record its normal position as "OPEN". It would be helpful to know why it was placed "CLOSED" on valve card in first instance? (b) For map 7E-6, two risers were noted as not being there by the leak surveyor in 2008. The map from 2013 shows the services still being there. A mapping change has not been completed in the 5 years since 2008.	(a) - Valve A-51: PG&E respectfully disagrees with this finding. On September 29, 2014, East Bay Division verified in the field that the valve card was correct. - Valve W-34: PG&E engineers have confirmed that the valve's normal position should be "OPEN." (b) PG&E confirmed that the meter actually exists at 251 5th St, Oakland. PG&E confirmed no meter and/or riser exists at 555 Embarcadero, Oakland by visual inspection of the property and by speaking with the property owner. Attached is the updated Map 7E-6 and a picture of the meter at 251 5th St.	EB_NOV1.9_Map7E6Corrected_CONF.pdf
NOV	1.10	1.10. Leak record PG&E procedure TD-4110P-03 states: "10 Documenting Leaks on Leak Log and Taking Appropriate Action 10.1 Investigate to determine grade of leak ... 10.2 Obtain leak number ... " SED during field visit observed a leak at a belowground valve, K-79 (Grand Ave and Mandana Blvd, Oakland) which measured 6% LEL. A leak was also reported during the last valve maintenance performed on 12/13/2013. In a response to inquiry, PG&E reported on 09/29/2014 that although mechanic called to report the leak observed on 12/13/2013 but no leak number was created.	Leak was repaired on November 12, 2014 (#109251683). A Form is attached.	EB_NOV_1.10_Aform_CONF.pdf
NOV	1.11	1.11. Patrolling Title 49 Code of Federal Regulations § 192.721 Distribution systems: Patrolling. states: "(b) Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage must be patrolled- (1) In business districts, at intervals not exceeding 4 1/2 months, but at least four times each calendar year; and (2) Outside business districts, at intervals not exceeding 7 1/2 months, but at least twice each calendar year. " (a) A review by SED of the "Slide Binder" provided by PG&E in Oakland office showed that there were a large number of distribution patrols outside of the business districts that were not conducted twice per calendar year in the Oakland district. (b) Despite several requests, no information was provided for "slide patrols" in Richmond district.	(a) PG&E has not consistently performed distribution patrols over mains in places or on structures once an event has indicated physical movement or external loading could cause failure or leakage. In accordance with PG&E's pipeline patrol procedure, TD-4412P-07, PG&E will conduct an evaluation to determine how the distribution patrol program is being implemented system wide and will provide an update to CPUC on its progress. (b) Refer to Response AOC 4(b) for copies of the 2012 and 2013 Exposed Piping and Spans Maintenance Forms in Richmond District	N/A
AOC, Observations, Recommendations	1	During the field visit, SED staff observed a Pipe-to-Soil (P/S) value of -875 mV at a casing located at Silver/Maple Dr. (#41396858, EBR327050; EB-41-F6) which indicates the possibility of a potential contact, and hence should be investigated.	See response to NOV 1.5(ii)(a)	N/A

2014 East Bay Division Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
AOC, Observations, Recommendations	2	2. CP criteria not met - field visit PG&E procedure O-16 states in section 3(A) that: "Cathodic protection systems will be considered adequately protected when the lowest P/S potential is -850 mV or more negative, with reference to a copper-copper sulfate electrode, with cathodic protection current applied..." SED during field visit found that the following locations did not meet required P/S potential criteria: - CPA C7-29, 6241 Chelton, Oakland; -490 mV; 10%er - #41282050, 2033 Encinal Ave, Alameda; -400 mV; 10%er - #41282775, 1607 89th Ave., Oakland; -722 mV; 10%er - #41271157, 1126 Masonic, Richmond; -783 mV; 10%er - #41271193, 516 The Alameda, Richmond; -780 mV; 10%er; A drivable anode was placed during the site visit. - CPA C7-27; 6150 Johnston Dr., Oakland; -234 mV; Yearly; Valve almost buried in the ground. - CPA C7-41; 955 Longridge, Oakland; -480 mV; Annual	CPA C7-29, 6241 Chelton, Oakland: On November 28, 2014 read taken of -957 mV #41282050, 2033 Encinal Ave, Alameda: After the audit, a read of –857 mV was taken. Since this location is tied to a rectified system it is therefore under adequate protection. PG&E will continue to monitor this service as a 10%er and an anode has been installed (PM 42284957) to ensure it is protected if it becomes isolated from the rectified system. #41282775, 1607 89th Ave., Oakland: A read of -1505 mV was taken on December 2, 2014 after a drivable anode was installed. #41271157, 1126 Masonic, Richmond: A read of -1644 mV was taken after a drivable anode was installed on September 25, 2014. #41271193, 516 The Alameda, Richmond: The correct address is 561 The Alameda. A read of -1670 mV was taken after a drivable anode was installed on September 24, 2014. CPA C7-27; 6150 Johnston Dr., Oakland: A read of -924 mV was taken on November 28, 2014. Also, the service is scheduled to be replaced by August 28, 2015 (Reference Notification 109764608). CPA C7-41; 955 Longridge, Oakland: Area is still below -850mv. Problem with CPA was identified as a Depleted Anode. The anode is scheduled to be replaced by May 18, 2015. (Reference Notification # 110052740)	N/A
AOC, Observations, Recommendations	3.1	Title 49 of Code of Federal Regulations § 192.707 Line markers for mains and transmission lines states: "(a) Buried pipelines. Except as provided in paragraph (b) of this section, a line marker must be placed and maintained as close as practical over each buried main and transmission line: (1) At each crossing of a public road and railroad; and (2) Wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference." PG&E procedure TD-4412P-09, Section 1 (1.1) (1) states: "Install pipeline markers, also known as "line markers" or "markers," according to Code of Federal Regulations (CFR) Title 49, Transportation, Part 192-Transportation of Natural and other Gas by Pipeline: Minimum Federal Safety Standards, Subpart Maintenance, Section 192.707, "Line markers for mains and transmission lines."... SED staff made following observations during the field visit: (a) The staff visited PG&E facilities located at the junction of Sycamore and Palm Avenue in Hercules. Two pipelines 105B and StanPac run in parallel at this location. However, it was noted that there were no line markers on both side of Palm Avenue where pipelines cross the road. There is a need of two markers on each side of the road, one for each line i.e. 105-B and StanPac. (b) During the visit of Line DFM 123-01 near Atlas and Giant Road (41412957, EBR337020; EB-1-A11), it was observed that there might be a need of line markers since pipeline crosses the rail tracks. However, it depends upon the class location; a request for this was made to PG&E staff to determine the need of markers.	Section 1.2.1 (page 6) of utility procedure TD-4412P-09, "Gas Pipeline Markers and Indicators," (attached) states, "Install markers where practical on each side of a pipeline crossing of a public road, railroad, or levee." Therefore, if the installation of a marker on one side of a crossing is determined to be impractical, it is not required per the procedure. Also, Title 49 CFR §192.707(b), which is quoted in Section 1.1.1.b (page 3) of TD-4412P-09, lists "Exceptions for buried pipelines" including "Mains in Class 3 or Class 4 locations where a damage prevention program is in effect under 49 CFR §192.614, 'Transportation Infrastructure Management'" and "Transmission lines in Class 3 or 4 locations where placement of a line marker is impractical."	TD-4412P-09_Gas Pipeline Markers and Indicators_CONF.pdf
AOC, Observations, Recommendations	3.2	PG&E procedure TD-4412P-09, Section 4.2 further states: "IF decals are not legible, are missing, or if the phone number is not consistent with L-10 and L-12 THEN install or replace the warning decals on the markers." SED staff noted that: (a) At the location Embarcadero and 450' NW of 19th Street, Oakland (41397235, EBR427080; EB-7-F8), the marker was present but some letters on it were covered with paint and it had non-working phone number, 415-234-1234. (b) For the exposed section, 24" TP Crossing near Lake Merritt Tidal Canal, N-side of Embarcadero, the marker on one side was not legible and it had non-working phone number, 415-234-1234.	New decals were installed at both locations in November 2014.	N/A

2014 East Bay Division Audit Findings and Responses

Finding Type [Internal, NOV, AOC]	Finding #	Finding	Response	Associated Attachment (File Name)
AOC, Observations, Recommendations	4	Despite repeated reminders, no information was provided for the following: (a) A request was made on the first day of the audit to provide information regarding distribution pipeline sites identified in the Division, which require patrolling in addition to the sites mentioned in "Slide Binder" provided in Oakland office. This was also pointed out in the CPUC's letter for 2012 audit (AOC-3). (b) No information was provided for "exposed sections" in Richmond district. (c) A request was made on first day of the audit to provide information regarding "hazardous meter locations" in the Division. No information was provided. During field visits, the subject was discussed with staff, which indicates that there is a possibility of having meters in location such as on or in close proximity of earthquake faults, or meter locations prone to flooding and others. It is recommended that the Division should carry out a study to determine existence of such meter locations, and take necessary safety measures in case of their existence. (d) CPA area: B1-26 A request was made for the copies of casing locations for this CPA. There appears to be at least two transmission lines (L-105A and L-0126) and one distribution line that cross two railroad tracks, Plat E-9. Casing P/S reads at these locations were requested, but were not provided.	(a) See response to NOV 1.11(b) (b) Copies of the 2012 and 2013 Exposed Piping and Spans Maintenance Forms in Richmond district are attached. (c) Meters located in areas subject to eternal hazards, such as seismic and flooding, are addressed through emergency shutdown zones. (d) Please find attached, the casing locations in CPA B1-26.	EB_AOC4_Casing1_CONF.pdf EB_AOC4_Casing2_CONF.pdf EB_AOC4_Casing3_CONF.pdf EB_AOC4_Casing4_CONF.pdf EB_AOC4_Casing5_CONF.pdf EB_AOC4_RichmondExposedPipe1_CONF.pdf EB_AOC4_RichmondExposedPipe2_CONF.pdf EB_AOC4_RichmondExposedPipe3_CONF.pdf
AOC, Observations, Recommendations	5	SED observed that in a number of instances, plug valves were not lubricated during regulator/valve annual inspections, and the maintenance sheets had notes, such as "Grease won't go in". Some examples are: • Regulator station RA-44, valve FV -18 • Regulator station RC07, valve FV-83 • Valves: C-34, R-75 and B-92 It is recommended that PG&E should investigate to determine the cause(s) and take necessary measures to rectify the problem.	- FV-18: A job to replace FV-18 is scheduled to be completed before the end of 2015 (Reference Notification 31035785) - FV-83: A job to replace FV-83 is scheduled to be completed in May 2015 (Reference Notification 31035794) - C-34: East Bay Division verified that C-34 is a plastic valve and no lubrication is required. - R-75: Valve replacement expected to be completed before the end of 2015. (Reference Notification 109256205) - B-92: Valve replacement expected to be completed before the end of 2015.(Reference Notification 109256276) With the exception of lubrication, all the listed valves above were maintained within their required compliance deadline and are operable.	N/A
AOC, Observations, Recommendations	6	SED observed that in a number of cases during the review of regulator stations and valves by PG&E staff before the audit, "Corrective Action" requests were placed. Examples are general corrosion at regulator station, issues with vault lids etc. It is expected that the Division will take necessary steps to rectify these at the earliest.	All corrective work is tracked and scheduled in SAP in accordance with Utility Procedure TD-4002P-02, "General Work Plan and Execution for Gas Assets" Procedure TD-4002P-02 applies to regulation, valve, meter, and corrosion maintenance and is supported by asset specific guidance as needed.	N/A
AOC, Observations, Recommendations	7	SED observed PG&E's leak surveyor conducting surveys at various locations and the following observations were made: (a) A leak survey using DP-IR was carried out the Lincoln and Willow Streets in Alameda, Map 9A-08. A leak was found on the main on Lincoln Avenue opposite to house # 2055. The read was 66 ppm. The mechanic called for a crew, and later reported that they recorded 0.75% gas and graded the leak as Grade-3. (b) Another leak survey was performed along Forest Street in Oakland and the following was observed: (i) The meter at house # 515 is located under a staircase with the vent outside. The mechanic observed a reading of 8 ppm on meter assembly using DP-IR and told that it is considered as Abnormal Operating Condition (AOC) and will turn in a request to move the meter outside. (ii) The mechanic observed a leak at the fittings on meter set at house #497. He used soap test to confirm the leak and told that he will report it to Gas Service Representative (GSR). (iii) The mechanic recorded a reading of 8 ppm on meter set at house #493. He performed soap test to confirm the leak and noted it as grade 3 leak. Additionally, the meter set and vent are in the enclosure at this house which mechanic told that he would report to the office.	(b)(i) The meter at 515 Forest St is located outside of the cabinet. During the audit field visit in September, the surveyor observed a reading near the cabinet, even though the meter was outside the cabinet, resulting in the AOC. East Bay Division Gas Field Services inspected 515 Forest St, Oakland on February 23, 2015 and determined that there were no leaks. (ii) The leak at 497 Forest St was repaired on October 3, 2014. (iii) The meter set and vent have been replaced and relocated outside the enclosure of the house and approximately 4 feet away from a nearby window. There are no openings above the vent.	N/A