

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 2, 2016

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-2016-06-PGE07-02B

SUBJECT: General Order 112-F Gas Inspection of PG&E's De Anza Division

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Pacific Gas & Electric Company's (PG&E) De Anza Division (Division) on June 13-17, 2016.<sup>1</sup> The inspection included a review of the District's records for the period of January 1, 2013 through December 31, 2015, as well as a representative field sample of the Division's facilities. 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 Summary of Inspection Findings (Summary) which is enclosed with this letter. The Summary reflects only those particular records and facilities that SED inspected during the audit.

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 audit.

If you have any questions, please contact Fred Hanes at (415) 703-5264 or by email at fred.hanes@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 Division

<sup>1</sup> General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 156-06-044.

Enclosure: Summary of Inspection Findings

cc: Mike Falk, PG&E Gas Regulatory Compliance  
Susie Richmond, PG&E Gas Regulatory Compliance  
Glen Allen, PG&E Gas Regulatory Compliance

## SUMMARY OF INSPECTION FINDINGS

### I. Probable Violations

#### A. PG&E's Internal Audit Findings

Prior to the start of the audit, PG&E provided SED its findings from the internal review it conducted of De Anza Division. 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) or §192.605(a). Other lapses in keeping records necessary to administer procedures are violations under §192.603(b). The table below lists all of the violations from PG&E's internal review.

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.

Topic	Code Violation	Finding(s)	Instances	Corrected
2015 Leak Survey	192.605(a)	<b>Not following Company Procedures: Stamp Data Incorrect:</b> Previous Leak Survey Dates for Map #'s: 3349 0I04; 3350 0F02; 3350 0H01	3	1/22/2016
2014 Overbuilds	192.605(a)	<b>Non Compliance with Existing Procedure TD-9500P-16:</b> Job #'s: 31113874; 31112547; 31083851; 31083844	4	10/28/15
2015 Operating Diagram	192.603(b)	<b>Info on Station Op Diagram &amp; Data Sheet Don't Match.</b> DR C24; Inlet fire valve list as a "?" on Op Diagram and as 50-G7G on Reg station Data Sheet	1	2/5/2016
2013 Operating Diagram	192.603(b)	<b>Info on Station Op Diagram &amp; Data Sheet Don't Match:</b> C42; C04; C22; B42; C16.	5	6/10/2014
2013 Reg Station Inspection	192.605(a)	<b>Class B Insp Missed or Late:</b> No "B" inspection completed within the last 8 years. (Mechanic noted in 3/6/07 that ""B"" inspection was completed however no ""B' inspection maintenance tasks are shown as completed.	1	6/14/2013
		<b>Pressure Recorder Accuracy Verify/Calib Not Done or Not Properly Documented:</b> C42; B32; B24; B04; A24	5	8/29/2013
2015 Valves	192.605(a)	<b>Missed Maintenance Non-compliance with TD-4430P-04.</b> AMC of valve has expired and valve is still paved over (same as considered inoperable).	1	2/8/2016
	192.605(a)	<b>Missed Maintenance</b> V49-I4A as missed mandatory via the CAP weekly Compliance Report. Valve has been operated every year, but has not been able to be lubed since prior to 2011.	1	expected 10/31/2016
2013 Valves	192.603(b)	<b>Valve Service History Form: Maint missed or late:</b> Valves 10.D3A, 50-F3C, due to Mapping omissions.	2	6/14/2013

## B. SED Findings

No violations were found during the audit.

## II. Areas of Concern/ Observations/ Recommendations

### A. Abandoned Valve still on Maintenance Schedule

During the records review, SED discovered PG&E was continuing to perform annual maintenance inspections on valve V-1 on transmission line L101 at MP 9.56 although the valve was no longer connected to a live gas pipeline. PG&E may want to reconsider performing annual maintenance on this valve.

Please notify SED if/when this valve has been removed from the maintenance schedule, and confirm that any remaining pipe stub is clearly marked on all suitable pipeline maps for future reference by mark and locate crews.

### B. Corrosion at Regulator Station D-12, Bascom and Curtner

During the audit SED observed heavy atmospheric corrosion at Regulator Station D-12, also identified as DREG10654 (D-12). The underground station piping showed signs of rust and some of the vault lid hinges were completely gone. The station is located in a landscaped area that receives regular irrigation.

PG&E indicated there were projects under way to remediate corrosion at, and ultimately rebuild, this station. PG&E provided a copy of the engineering scope of work to replace valves along Bascom Avenue, including one fire valve V-12 -J6J at D-12. PG&E also indicated that new vault doors were on order and would be replaced soon.

Please inform SED of the following:

- 1) Date when new vault lids have been installed
- 2) Date when fire valve V-12 -J6J has been replaced
- 3) Date when remaining corrosion on station piping will be remediated.

### C. Missed Valve Lubrication

PG&E's Internal Review found that valve V49-I4A had not been lubricated since 2011, with an estimated correction date of 10/31/2016. Please inform SED when the condition has been remediated.