

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



February 10, 2017

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-2016-09-PGE-28-01B

SUBJECT: General Order 112 Gas Transmission Audit of PG&E's Meridian District

Dear Mr. Singh:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission, Paul Penney and Willard Lam conducted a General Order 112<sup>1</sup> audit of Pacific Gas & Electric Company's (PG&E) Meridian District (District) from September 12-16, 2016. The audit included a review of the District's records for the period of 2013 through 2015, as well as a representative field sample of facilities 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 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 concerns 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,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

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

Enclosure: Summary of Inspection Findings

cc: Willard Lam, GSRB  
Susie Richmond, PG&E Gas Regulatory Support  
Mike Bradley, PG&E

<sup>1</sup> General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 15-06-044.

## SUMMARY OF INSPECTION FINDINGS

### I. Probable Violations

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

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

Table 1 below 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 audit. For those items not corrected prior to the audit, please provide an update on PG&E's progress to complete the corrective actions. Please note remediation dates include the CAP # where applicable. If the CAP # is included, please provide an update on the CAP work progress.

**Table 1:** PG&E's Meridian District Internal Review

<b>Item</b>	<b>Finding Description</b>	<b># of findings</b>	<b># of Pending Corrections (as of 9/16/16)</b>	<b>Remediation Date</b>
1	During valve maintenance, if a valve (emergency or reliability) was partially operated, the reason for the partial operation was not noted in "Action Taken" on the Gas Valve Maintenance Record (TD-4430P-04-F02) as required by Gas Valve Maintenance Work Procedure TD-4430P-04.	1	0	1/1/16
2	TD-4430P-04-F01, (Gas Valve Maintenance Record Form—General Information) and TD-4430P-04-F02, (Gas Valve Maintenance Record Form—Service History) were not used to track valve maintenance on reliability valves as outlined in TD-4430P-04. Prior to 3/1/2016 the District tracked its reliability valve maintenance in PLM	Multiple	0	3/1/16
3	Meridian District has identified 35 Plug Valves where the valve lubrication fitting is either not installed or not accessible.	35	35	Pending CAP #7035722
4	Change 175 of Op Map 484001 Sheet 1 contained duplicate numbered valves. As part of the effort to resolve the duplicated entries, it was discovered that some of the valves have been buried and not maintained.	Multiple	All	Pending CAP #7026318

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

<b>Item</b>	<b>Finding Description</b>	<b># of findings/ Violations</b>	<b># of Pending Corrections (as of 9/16/16)</b>	<b>Remediation Date</b>
5	Automated valve V-21 at Durham Field Master Meter was installed in 2003. This is a ratio control valve (the Durham field produces very low BTU gas), that limits the flow from the gas well if certain flow conditions occur from Fell Station to Chico. It is controlled by a separate Total Flow on an operational meter at the Durham Valve lot. In April 2015 it was discovered to not be included in the maintenance plan.	1	0	6/2/15
6	Valve V-1 at Dunnigan Hills #1 was installed in 2002 and in April 2016 it was discovered to not be included in the maintenance plan. The geographic location is in Sacramento Division and it was agreed Meridian District would assume maintenance of this asset in April 2016.	1	0	4/29/16
7	Meridian District identified 2 regulator valves, V-16, and V-8R at the Calpine Sutter meter station that were not in the maintenance plan. The valves were installed as part of the liquids mitigation system to route gas through the station depending on the flow pattern of the system.	2	0	5/10/16 CAP# 7035723
8	On 4/23/16 Meridian District discovered 2 Valves installed in 1986 on GM 4510038 on L-302E at Tap Valve 295 in pit. Op Map #484001 Rev. 176. These valves were not on the operating map or in a maintenance plan.	2	0	5/25/16
9	On Odor Intensity Reports the Meter Serial No. of the instrument has not been recorded. The district had placed the Customer Meter No in this field when known.  On Monthly Odorization Reports District has not filled in the data field on Form TD-4570P-03-F01 which calls for the Meter Serial No. (instrument)	Multiple	0	9/8/16
10	Meridian District discovered when the flow on L169A at Valve 110 Odorizing Station is less than 2mmcf/day the station may not see enough flow to odorize correctly.	1	1	Pending
11	Pipe Locator #49918019 (171081202513) and 49918054 (171081202595). June 2016 Calibration check exceeded 45 days between checks.	2	0	9/8/16
12	Arbuckle (L174) Corrosometer Probe shows no readings in 2016	1	1	Pending CAP#

**B. SED Findings**

There were no violations found during the records review or during the field inspection portion of the audit.

**II. Concerns and Recommendations**

1. While doing field work at Station # 0368 (Location 52-2MM) to test the relief device, SED staff noted that the associated valve was hard to turn. We recommend servicing the valve to make it easier for PG&E staff to turn.
2. While doing field work at Station # 4305 (Location Dottenev 39-3) to test the relief device, SED staff noted that the associated valve was hard to turn. We recommend servicing the valve to make it easier for PG&E staff to turn.
3. While doing field work to operate valves, SED staff noted one mainline valve on L-172 at MP 14.86 was hard to operate. Please update us on the status of this valve, and PG&E's estimated date of repair.