

PUBLIC UTILITIES COMMISSION

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June 23, 2008

Mr. Bob Daniels
AM&ET Performance Analysis QA, Manager
Pacific Gas and Electric Company
77 Beale Street, Mail Code H15H
P.O. Box 770000
San Francisco, CA 94177

CPUC File No: EA2008-06

SUBJECT: Electric Audit of PG&E's Central Coast Division, Hollister and Santa Cruz Service Centers

On behalf of the Utilities Safety and Reliability Branch of the California Public Utilities Commission, Ivan Garcia and I conducted an Electric Audit of PG&E's Central Coast Division, Hollister and Santa Cruz Service Centers from 4/21/08 to 4/25/08. The audit included a review of your records for the period of 2002-2006.

During the inspection, we identified violations of one or more General Orders. A copy of the audit summary itemizing the violations is enclosed. Please advise me of all corrective measures taken by the Utility regarding the above violations. Please provide the electronic or hard copy records showing the correction date for each violation.

If you have any questions, please contact me at (415) 703-1817.

Sincerely,

A handwritten signature in cursive script that reads "Paul Penney".

Paul Penney
Utilities Engineer
Utilities Safety and Reliability Branch
Consumer Protection and Safety Division

Enclosure: Appendix A

- (1) Scope of the Audit
- (2) GO165 Records Review
- (3) GO95/128 Field Notes
- (4) Follow-up Data Request

CC: Ms. Holly Meyer-Zebzda, Quality Assurance
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APPENDIX A

(1) Scope of the Audit

This audit of the electric distribution system in the Central Coast Division was conducted to assess PG&E's compliance with General Order 165, as well as General Orders 95 and 128. The audit included a review of 44 overhead and underground plat maps for patrols and detailed inspections for the years 2002 to 2007. Also included was a review of canceled and completed tags (notifications), and tags related to overloaded transformers. In addition, we interviewed PG&E personnel about processes and procedures related to Material Problem Reporting (MPR's), Equipment Requiring Repair (ERR's), and proactive replacement of overloaded transformers.

(2) GO165 Records Review

During the GO165 portion of the audit, the following violations were noted while reviewing records for patrols and inspections:

- (a) For Map O-15-18, completed on 7/10/07, a primary junction box just below transformer T-271 is not highlighted or shown as inspected.
- (b) For Map O-13-12, completed on 1/23/07, a primary junction box was not identified as patrolled (shown as 3-700XL-A 9 (22kV) on map in front of West Lake Elementary School).

During a review of some tags in the new format, we found three tags with insufficient comments to identify what was, in fact, done to correct violations or issues identified by the PG&E inspector. They are: 102701489, 102514541, and 102559033. We field inspected these locations to verify what was done to do the repair. Not documenting the nature of the repair(s) is a violation of GO165, which states:

"For all inspections, within a reasonable period, company records shall specify the circuit, area, or equipment inspected, the name of the inspector, the date of the inspection, and any problems identified during each inspection, as well as the scheduled date of corrective action. For detailed and intrusive inspections, companies shall also rate the condition of inspected equipment. Upon completion of corrective action, company records will show the nature of the work, the date, and the identity of persons performing the work [Underline Added]."

Please ensure that persons doing work to close a tag document the "nature of the work."

We also noted that Map O-13-25, completed on 1/31/07, needs to be updated. A secondary box on the corner of Front and Beach Streets, near fuse 5499-7285 was not identified as a secondary enclosure (a darkened box), but as a primary enclosure (clear box).

(3) GO95 and GO128 Inspection Field Notes

The field portion of the audit was conducted on April 24th and 25th, 2008, and consisted of doing a Quality Assurance (QA) check of 12 recently inspected underground and padmount facilities on plat map B-15-02 and field verifying 14 tags. No issues were identified while doing the QA check. However, while doing field verifications of closed tags, we noted two instances (tag#: 102824356 and 102754934) where there were GO95 violations for ground molding. The applicable rule is:

(a) GO 95, Rule 54.6 (E), Vertical and Lateral Conductors, Risers

Rule 54.6 states:

"...That portion of the ground wire attached on the face or back of wood crossarms or on the surface of wood poles and structures shall be covered by a suitable protective covering..."

It appeared likely that these violations were present during the tag repair work. As we understand PG&E's current process, only the most serious GO95 violation is noted on the pole during the inspection when there are multiple GO95 violations (or other issues) present. When corrective work is done, the most serious violation and all other GO95 violations are fixed at the time of repair. Please verify that this is PG&E's current process. Also, if this is the process, please ensure that all GO95 violations are corrected at the time the repair is made for a tag.

(4) Follow-up Data Request

During the GO165 records review, we asked how many proactive transformer replacements (per Bulletin 2004 PGM-4) in Hollister and Santa Cruz there have been in each of the years 2004 to 2008. The information was not provided during the audit. Please provide the requested data.