

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of PACIFIC GAS AND  
ELECTRIC COMPANY for Authority Among  
Other Things, to Decrease its Rates and  
Charges for Electric and Gas Service, and  
Increase Rates and Charges for Pipe  
Expansion Service.

(U 39 M)

A. 94-12-005  
(Filed December 9, 1994)

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Commission Order Instituting Investigation Into  
the Rates, Charges, Service, and Practices of  
Pacific Gas and Electric Company.

I. 95-02-015  
(Filed December 9, 1994)

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Order Instituting Rulemaking for Electric  
Distribution Facility Standard Setting.

R. 96-11-004  
(Filed November 6, 1996)

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E) GENERAL ORDER 165  
ANNUAL INSPECTION REPORT FOR 2011 SUBMITTED PURSUANT TO CPUC  
DECISION NO. 97-03-070, DECISION NO. 09-08-029, AND DECISION NO. 12-01-032**

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June 29, 2012



VERIFICATION

I, the undersigned say:

I am an officer of Pacific Gas and Electric Company, a corporation, and am authorized to make this verification for and on behalf of said corporation, and I make this verification for the following reason: I have read the foregoing:

PACIFIC GAS AND ELECTRIC COMPANY'S  
GENERAL ORDER 165 ANNUAL INSPECTION REPORT  
FOR 2011 SUBMITTED PURSUANT TO CPUC  
DECISION NO. 97-03-070, DECISION NO. 09-08-029, AND  
DECISION NO. 12-01-032

and I am informed and believe matters therein are true and on that ground I allege that the matters stated therein are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed as San Francisco, California, this 27<sup>th</sup> day of June, 2012.

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/s/  
P. J. MARTINEZ  
Vice President, Electric Asset Management

# **EXHIBIT 1**

**PACIFIC GAS & ELECTRIC COMPANY'S  
GENERAL ORDER 165  
ANNUAL INSPECTION REPORT FOR 2011  
SUBMITTED PURSUANT TO CPUC  
DECISION NO. 97-03-070, DECISION NO. 09-08-029,  
AND DECISION NO. 12-01-032**

June 29, 2012

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# **PACIFIC GAS & ELECTRIC COMPANY'S GENERAL ORDER 165 ANNUAL INSPECTION REPORT FOR 2011**

## **I. 2011 INSPECTION SUMMARY**

Pursuant to Section III.D of the California Public Utilities Commission's (Commission) General Order (GO) 165, adopted in Decision No. (D.) 97-03-070 and modified by D.09-08-029 and D.12-01-032, Pacific Gas & Electric Company (PG&E) submits its Annual Inspection Report which details PG&E's compliance with the General Order in 2011.

As now required by GO 165, Table 1 lists four categorical types of inspections PG&E performed in 2011: Patrols<sup>1/</sup>, Overhead Detailed, Underground Detailed, and Wood Pole Intrusive. The table denotes the total units of work due by inspection type for the 2011 reporting period and the number of outstanding (not completed) inspections within the same reporting period for each of the four categories.

The data presented in Table 1 is a point-in-time reporting of inspections due and outstanding in 2011, and is, as of the date of submittal to the Commission, deemed as the most accurate data available. In summary, by December 31, 2011, PG&E completed 100% of the overhead and underground patrols, 100% of the overhead detailed inspections, 99.99% of the underground detailed inspections and 100% of the wood pole intrusive inspections due in 2011.

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<sup>1/</sup> To present the data in a more meaningful format, Table 1 divides the "Patrol" category into the subcategories "OH Patrols" and "UG Patrols".

Table 1 – 2011 Inspection Summary

| Type of Inspections (1) | Due (2)   | Outstanding (3) |
|-------------------------|-----------|-----------------|
| OH Patrols              | 1,289,762 | 0               |
| UG Patrols              | 455,633   | 0               |
| OH Detailed             | 210,345   | 0               |
| UG Detailed             | 146,121   | 402             |
| Wood Pole Intrusive     | 148,033   | 0               |

Notes:

1) Definition of Reporting Unit Basis

- A. Overhead: PG&E defines an overhead unit as a PG&E solely or jointly owned pole supporting equipment or conductors operating at less than 60,000 volts. PG&E also patrols and inspects overhead equipment, overhead conductors, and poles supporting only streetlights, but these facilities are not counted as overhead units for the purposes of this report.
- B. Underground: PG&E defines an underground unit as a PG&E owned padmounted enclosure, subsurface enclosure or vault containing primary cables, which operate at less than 60,000 volts either with or without equipment. PG&E also patrols padmounted enclosures, subsurface enclosures and vaults containing only secondary facilities, but these enclosures are not counted as underground units for the purposes of this report.
- C. Wood Pole Intrusive: PG&E defines a wood pole intrusive unit as an intrusively inspected PG&E solely or jointly owned pole.

The patrol unit counts are generally based on the most recent preceding detailed inspection map unit counts.

2) Definition of “Due”

Patrol<sup>2/</sup> and Detailed Inspection data in this column represents the total units of work by inspection type that PG&E planned to complete by the end of 2011. This data represents the final work due for the year and is not a projection from the beginning of 2011. The underground detail inspection data is inclusive of the underground re-

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<sup>2/</sup> Decision No. (D) 09-08-029 modified GO 165 to increase the frequency of patrols from every two years to every year in Rural areas in Extreme and Very High Fire Threat Zones in Southern California. The only county in PG&E's service territory affected by this change is Santa Barbara County. PG&E adjusted its patrol cycles promptly to comply with this requirement, and the results of those adjusted inspection cycles are included in this report.



inspections that PG&E performed in 2011 (as described by PG&E's October 14, 2011 Supplemented General Order 165 Compliance Plan for 2012 and Annual Compliance Report for 2012). (The data does not include any outstanding inspections from prior years.) Although GO 165 requires padmounted facilities be detail inspected on a minimum five year cycle, PG&E performs detail inspections of padmounted facilities on a more frequent, three year cycle. For the purposes of this report, padmounted facilities are "due" on the underground detailed, three year cycle.

Wood Pole Intrusive data in this column represents the total poles intrusively tested by PG&E's Pole Test & Treat Program. PG&E maintains a 10 year inspection cycle; however, poles under 10 years old, and poles under 50 years old with an original treatment of pentachlorophenol that have been previously tested, are intrusively tested on a 20 year cycle per the minimum inspection interval of GO 165.

3) Definition of "Outstanding"

Data in this column represents the total units of work by inspection type that PG&E planned to complete by the end of 2011, but did not. The data does not include any outstanding inspections from prior years.

The 401 units in the "UG Detailed" row of this "Outstanding" column represent underground inspections that were documented as inspected in 2011, but were later found to have not been inspected (See Section II.A for more detail). The remaining one unit was not inspected in 2011 due to an access issue, but was inspected in early 2012.

Although GO 165 requires padmounted facilities to be inspected on a minimum five year cycle, PG&E performs detail inspections of padmounted facilities on a more frequent, three year cycle. For the purposes of this report, padmounted facilities are "outstanding" if they are not inspected within the underground detailed, three year cycle.

## **II. ONGOING QUALITY CONTROL ACTIVITIES**

### **A. Contractor quality Review**

Starting in mid-2011, PG&E implemented a significantly improved quality control program to oversee its GO 165 distribution patrols and inspections with the intent to ensure strict adherence to GO 165 requirements. In early 2012, this quality control program identified

a single contract inspector who had not inspected some underground facilities that he had documented as inspected<sup>3/</sup> in 2011.

PG&E promptly re-inspected all 401 underground units marked as completed in 2011 by the contract inspector after they were discovered in 2012. Although some of the facilities inspected by the contract inspector were proven to have actually been inspected, PG&E is considering all 401 underground units that he inspected in 2011 as “outstanding.” These “outstanding” underground inspection units are reflected in Table 1. Out of an abundance of caution, PG&E also re-inspected in 2012 all 2011 *overhead* inspections that were marked as completed by the contract inspector.

To ensure that other inspectors from the same contract company did not also misrepresent their underground inspections, PG&E has begun a quality sampling of those inspectors’ 2011 underground inspection work. This sampling began in mid-May 2012 and is expected to be completed by the end of September 2012. At the conclusion of the quality sampling, PG&E will report its findings to Commission Staff. For each contract inspector that might be found to not meet PG&E quality standards, PG&E will re-inspect all 2011 underground inspections, and (out of an abundance of caution) all 2011 overhead inspections that were marked as completed by that contract inspector.

## **B. Distribution Mapping Gap Analysis**

As discussed in PG&E’s August 29, 2011 response to the CPUC’s July 18, 2011 Notice of Violation and PG&E’s January 18, 2012 response to the CPUC’s Electric Audit Report of PG&E’s North Valley Division, PG&E initiated an analysis to ensure that all relevant electric

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<sup>3/</sup> The quality control program found that the contract inspector had failed to install 2011 inspection verification stickers inside of a portion of the underground enclosures he had documented as inspected in 2011. These stickers were required by PG&E procedure. PG&E considers enclosures missing the sticker as not inspected in 2011.

distribution facilities are being inspected and patrolled as required by GO 165. The analysis began in early February 2012 with a review of all relevant electric distribution maps and existing SAP maintenance plans system wide. As of the submittal date of this report, PG&E has completed its review of one division and has identified one overhead line conductor section and six facilities that were not inspected or patrolled in accordance with GO 165 in that division. Detailed inspections have since been performed on these facilities. PG&E expects the system wide review to be completed by the end of 2012, at which time PG&E will report the results of its findings to Commission Staff. PG&E is also developing process improvement measures to ensure that all relevant electric distribution facilities remain in compliance with GO 165 in the future.