Pacific Gas and Electric Company®

Bill Gibson
Director, Regulatory Compliance and Support
Gas Operations

375 N. Wiget Lane, Suite 250
Walnut Creek, CA 94598

925-974-4210
Fax: 925-974-4102
Internet: WLG3@pge.com

June 11, 2012

General Jack Hagan, Director
Consumer Protection and Safety Division
California Public Utilities Commission
505 Van Ness Avenue, Room 2205
San Francisco, CA 94102-3298

Re: CPUC Resolution ALJ-274 Self-Identified Non-Compliance Notification of Over-pressurization Events in Sacramento and Solano Counties

Dear General Hagan:

Pursuant to Resolution ALJ-274, PG&E is providing notification of two self-identified non-compliance issues, both involving over-pressurization incidents that occurred on January 1, 2012 and on April 28, 2012. In both incidents, the pressure exceeded maximum allowable operating pressure (MAOP) plus 10 percent, which is not in compliance with 49 CFR § 192.201(a)(2).

The April 28, 2012 incident was reported to the Department of Transportation and to the CPUC as a safety-related condition on May 25, 2012. The January 1, 2012 incident did not require a safety-related condition report per 49 CFR § 191.23(b)(4), as it was corrected by repair within five working days. However, in discussions on May 29, 2012, the CPUC requested that PG&E submit a self-report pursuant to Resolution ALJ-274 for both over-pressurization incidents. The details of these incidents are summarized below.

On January 1, 2012, a Gas Service Representative (GSR) was performing emergency repairs on a gas regulator set, located in Rancho Cordova, Sacramento County, when the valve on the bypass run froze in the "open" position. The bypass run with pressure gauge was slowly being opened to supply the gas service during replacement of a failed regulator. When the pressure was equalized with normal operating line pressure of 45 pounds per square inch gauge (psig) the GSR attempted to throttle the bypass valve to maintain pressure. The valve froze in the open position and would not close by use of a wrench. Another tool was immediately applied and the valve was closed. This condition lasted less than 20 seconds, and pressure in the gas service line reached 110 psig, exceeding its MAOP of 60 psig. This gas service line feeds a mobile home park, and PG&E confirmed that the meter regulation to the mobile home park operated properly, such that the mobile home park did not experience any over-pressurization during this event. PG&E also conducted a leak survey of the gas service line after the incident and

no leaks were found. PG&E completed the emergency repairs on the gas regulator set without further incident. The bypass valve was greased, locked and closed.

On May 16, 2012, a Field Meterman was conducting a normal chart run at Regulator Station R-03, located in Fairfield, Solano County, and noticed a spike in pressure had occurred on Distribution Feeder Main (DFM) 0602-01 for approximately 25 hours from April 28 to April 29, 2012. The chart did not indicate the maximum pressure reached, but PG&E assumes the pressure reached as high as 635 psig, which is the pressure of the upstream pipeline. The normal operating pressure of DFM 0602-01 is 240 psig, and the MAOP is 275 psig. The root cause of this over-pressurization incident was determined to be a failed regulator station.

The two over-pressurization events are not in compliance with 49 CFR 192.201(a)(2), which states, "If the maximum allowable pressure is 60 psig or more, the pressure may not exceed the maximum allowable operating pressure plus 10 percent, or the pressure that produces a hoop stress of 75 percent of SMYS, whichever is lower." SMYS is defined as Specified Minimum Yield Strength.

The failed regulator station on Distribution Feeder Main 0602-01 has since been replaced. The entire main was leak surveyed on May 18, 2012, and no leaks were found. Regulator stations and customer regulator sets emanating from this main were inspected for proper operation and were found to be in good condition. A temporary electronic pressure recorder with cellular modem was also installed to monitor the pressure of this DFM. The distribution main normally operates at approximately 12 percent SMYS, and equipment inspected was found to be in good condition. However, as an added precaution, PG&E reduced the normal operating pressure on this main by 20 percent, from 240 psig to 192 psig. In addition, PG&E conducted an engineering critical assessment of the integrity of this DFM and determined that the over-pressure event did not affect the integrity of the pipeline.

PG&E will install a permanent electronic pressure recorder with cellular communications at Regulator Station R-03. In addition, one meter set with ANSI 150 fittings rated at 275 psig will be replaced. These action items will be completed by August 31, 2012.

Please contact Redacted for any additional questions you may have regarding this notification.

Sincerely,

Bill Gibson
Director, Regulatory Compliance and Support

cc: Julie Halligan, CPUC
Dennis Lee, CPUC
Mike Robertson, CPUC
Sunil Shori, CPUC
Redacted
Shilpa Ramaiya, PG&E
Frances Yee, PG&E
Redacted