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July 12, 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
Incorrectly Set Relief Valve at Regulator Station in Yolo County

Dear General Hagan:

Pursuant to Resolution ALJ-274, PG&E is providing notification of a self-identified non-compliance issue involving an incorrectly set relief valve on a distribution system in Zamora, an unincorporated community in Yolo County. The setting on this valve is not in compliance with 49 CFR § 192.201(a)(2)(ii).

A recent annual review of relief valve calculations in the Sacramento Division found that this relief valve, manufacturer type H202, located at a Redacted would fully activate to relieve system pressure at 49 psig. The relief valve had been set to 40 psig to protect the 40 psig MAOP distribution system. However, it was concluded from the review that system pressure would reach 49 psig before this relief valve would fully relieve. This is in violation of 49 CFR 192.201 (a)(2)(ii) which states "**Each pressure relief station or pressure limiting station or group of those stations installed to protect a pipeline must be set to operate to insure the following: If the maximum allowable operating pressure is 12 psig or more, but less than 60 psig, the pressure may not exceed the maximum allowable operating pressure plus 6 psig.**" The relief valve setting of 40 psig with 9 psig build-up as concluded by review of the relief valve calculation exceed the 40 psig MAOP plus 6 psig buildup allowed by this regulation.

As an immediate corrective action, the relief valve was lowered to 35 psig. The 40 psig MAOP distribution system which this valve protects was last leak surveyed in June 2008 on its regular 5 year schedule. There were no leaks found from this survey.

PG&E reviewed this issue with local engineering to determine the source of the problem and whether or not a system-wide review was needed. We concluded that this was an isolated case based on the review results of all relief valve calculations on the annual list

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in the Sacramento Division. The results of the review found no additional instances of this issue.

Based on the actions and review specified above, PG&E believes no further corrective action is necessary.

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