



**Pacific Gas and
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July 17, 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
Discontinued Plastic Fusion Procedure and Fittings in Contra Costa County

Dear General Hagan:

Pursuant to Resolution ALJ-274, PG&E is providing notification of a self-identified non-compliance issue involving a Gas Mechanic who used a discontinued plastic fusion procedure and fittings on a gas distribution system main located in the City of Richmond, Contra Costa County. The employee did not follow company procedures which clearly state that the use of the heat iron saddle fusion procedure on 1¼ inch main is not permitted. Furthermore, the use of this procedure was in violation of 49 CFR § 192.605(a).

On April 4, 2012, a Gas Mechanic used a discontinued plastic fusion procedure and fittings on 1¼ inch gas distribution system main while trying to create a temporary bypass feed for 48 customers. The mechanic melded through the gas distribution system main, which caused a temporary loss of gas service to these customers. The customers' gas service was restored immediately. PG&E procedure WP 4170-05 clearly states that this procedure is not approved on 1¼ inch pipe and Gas Distribution Bulletin #293 released to operations on May 22, 2009, states that the plastic tee used by the employee is discontinued. In addition to not complying with PG&E procedures, these actions were in violation of 49 CFR 192.605 (a) which states "***Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be present before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.***"

PG&E conducted an investigation into the event and found the employee had access to the Transmission & Distribution (T&D) procedural manual governing plastic fusion, which specifies that the procedure he planned to use was no longer permitted on 1¼ inch pipe. However, the employee further violated the standards by attempting to use a different procedure and tried to modify it for use on the 1¼ inch pipe. Additionally, the investigation found that the employee misinterpreted the heating times on his technique card, which he received from his qualification class. A final contributing factor was not having all discontinued 1¼ inch plastic fittings removed from company stock as planned.

PG&E re-issued a Guidance Tailboard bulletin on June 19, 2012 to field personnel regarding the discontinuation of the heat iron saddle fusion procedure and fittings on 1¼ inch plastic pipe. This bulletin further requires field operations personnel to check materials stock to ensure all related materials have been removed.

The Gas Mechanic involved in this event has since been restricted from using the heat iron saddle fusion procedure for use on approved pipe sizes until he receives requalification training on the procedure.

PG&E will conduct a system wide review to further identify and train gas operations personnel who may be in need of training on recent changes to the plastic version of the T&D procedural manual. This will be completed by October 12, 2012.

PG&E will notify the local authorities for the City of Richmond and Contra Costa County of this issue and will provide confirmation of notification as a supplement to this letter.

Please contact Richard Echoles at (925) 974-4377 or RXEU@pge.com 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

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