Pacific Gas and Electric Company®

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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
Overpressurization Event in Solano County

Dear General Hagan:

Pursuant to Resolution ALJ-274, PG&E is providing notification of a self-identified non-compliance issue regarding an overpressurization event that occurred on December 23, 2012 on transmission Line 210A from Redacted Redacted in unincorporated Solano County.

On December 23, 2012 at 12:46 AM, a SCADA alarm in the Creed Regulation Station – which is fed from transmission Lines 400 and 401 and reduces pressure for gas flowing into Lines 210A and 210B – indicated an overpressurization event had occurred. PG&E immediately investigated the alarm and determined it to be a true overpressurization event. The investigation determined there were a total of four pressure spikes that lasted approximately one minute in duration each on Lines 210A and 210B. During this time, which was a total of about one and a half hours, the pressure in these lines reached over 110% of the MAOP of 650 psig, which is in violation of 49 CFR § 192.201(a)(2)(i).

PG&E submitted an MAOP exceedance notification for this event to PHMSA and the CPUC on December 27, 2012, pursuant to the Pipeline Safety, Regulatory Certainty and Job Creation Act of 2011. PG&E also submitted a safety-related condition report for this event to PHMSA and CPUC on December 31, 2012.

As an immediate safety measure, PG&E crews conducted a leak survey on transmission Line 210A from Redacted Redacted on December 28, 2012, and did not detect any hazardous leaks. An Engineering Critical Analysis was performed by PG&E's Integrity Management department and found no critical engineering issues.

As a further precautionary measure, the operating pressure of Line 210A and Line 210B was reduced by 20% of MAOP to 520 psig on December 23, 2012 and remains at the reduced

operating pressure until a long-term restoration plan can be implemented. The pipeline sections affected by this event are not in a High Consequence Area (HCA).

PG&E has determined that the overpressurization event was caused by rainwater traveling through the conduit seal and into the feedback transmitter on Valve V-33. The exposure to water short-circuited the transmitter, causing the valve to fail in the open position. The short circuit was intermittent and caused the regulator to operate and fail four times, resulting in the multiple pressure spikes. Prior to its failure, V-33 was regulating pressure from 920 psig down to 630 psig. At the point of failure, V-33 failed open and V-34 took over operations but was unable to respond fast enough to prevent the following timeline of pressure spikes:

Date	Time	Pressure (% of MAOP)	Duration
12/22/12	24:46	713 psig (109.7% of MAOP)	approximately one minute
12/22/12	24:53	719 psig (110.6% of MAOP)	approximately one minute
12/23/12	02:17	716 psig (110.2% of MAOP)	less than one minute
12/23/12	02:18	716 psig (110.2% of MAOP)	less than one minute

Immediately following the overpressurization event, V-34 was temporarily used to regulate pressure, while V-33 was replaced, retested and put back in service.

PG&E's investigation revealed that the transmitter failure was due to the failure to use conduit sealant to provide adequate weather proofing. To correct the issue, the conduit was replaced and repositioned so that any water that might enter the conduit will drain away from the transmitter. Sealant will be installed before the station is fully functional. Similar repairs were performed on the conduits for V-8 and V-9, which have a similar installation to V-33 and are also within Creed Regulation Station. The transmitter on V-9 was replaced and the transmitter for V-8, which is not needed to operate at this time, will be replaced once the equipment arrives.

PG&E is conducting a causal evaluation on this event and based on the results of the evaluation, will develop the appropriate corrective actions to address this event on a longer term or system-wide basis, if warranted.

PG&E will notify the local authorities in Solano County of this issue and will provide confirmation of notification as a supplement to this letter.

Please feel free to contact Redacted at Redacted for any additional questions you may have regarding this notification.

Sincerely,

Frances Yee
Acting Director, Regulatory Compliance and Support

cc: Julie Halligan, CPUC
Dennis Lee, CPUC
Mike Robertson, CPUC
Sunil Shori, CPUC
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