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July 2, 2013

Mr. Michael Robertson
Gas Safety and Reliability Branch
Consumer Protection and Safety Division
California Public Utilities Commission
320 West 4th Street, Suite 500
Los Angeles, CA 90013

Re: Follow-Up to 2012 General Order 112-E Audit of PG&E's Operations,
Maintenance, and Emergency Plan

Dear Mr. Robertson:

In the Safety and Enforcement Division's August 29, 2012 letter to PG&E concerning the 2012 Operations, Maintenance, and Emergency Plan audit, the following "Area of Concern/Recommendation" was provided:

Damage Prevention and Operator Qualification

PG&E's damage prevention manual does not require PG&E employees to be operator qualified when performing excavation. In addition, PG&E's list of covered tasks also does not include excavation. Please explain why PG&E does not include excavation as a covered task despite PHMSA's issuance of Advisory Bulletin ADB-06-01, which states in part:

"Furthermore, PHMSA reminds pipeline operators that although excavation is not explicitly addressed in 49 CFR parts 192 and 195, excavation is considered a covered task under the pipeline operator qualifications regulations (49 CFR 192.801-809 and 195.501-509). These regulations require that pipeline operators and contractors be qualified to perform pipeline excavation activities. A qualified individual is one who has been evaluated and can perform assigned covered tasks and can recognize and react appropriately to abnormal conditions."

PG&E's October 12, 2012 letter provided the following response:

PG&E has in place a number of Operator Qualification (OQ) evaluations that are directly or indirectly focused on excavation activities and safety. Currently, PG&E

has 3 OQ sub-tasks and 3 compliance-related training courses to cover safe behavior in and around excavations. However, PG&E generally agrees with this area of concern and is taking actions to further strengthen the skills of our workforce. PG&E is in the process of re-qualifying 921 employees this year under the "Excavation – Competent Person" role to further solidify the field employees' knowledge of safe operations when working with an excavation, including excavating around gas pipelines. PG&E is also conducting a gap analysis between our current OQ program and ASME B31Q, which includes additional OQ-covered tasks relating to excavation. Once this analysis is completed, we will update our OQ program accordingly. We are currently forecasting this to be completed by the end of 2013, but will provide a status update and schedule for completion of the associated excavation OQ sub-tasks by July 1, 2013.

The following is PG&E's July 1, 2013 status update:

PG&E continues to use a number of Operator Qualification (OQ) evaluations that are directly or indirectly focused on excavation activities and safety. Currently, PG&E has 5 damage prevention OQ sub-tasks and 3 compliance-related training courses to cover safe behavior in and around excavations. However, PG&E still generally agrees with this area of concern and is taking actions to further strengthen the skills of our workforce around excavation activities. As part of these actions, PG&E has completed a gap analysis between our current OQ program covered tasks and ASME B31Q covered tasks. During this gap analysis, PG&E identified an additional excavation covered task related to backfill activities. To close this gap, PG&E will create new training and a backfill covered task by the end of 2014. PG&E will then train and qualify the affected personnel on the covered task for backfill by the end of 2015.

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

Sincerely,

/S/
Frances Yee
Acting Director, Regulatory Compliance and Support

cc: Aimee Cauquiran, CPUC
Dennis Lee, CPUC
Liza Malashenko, CPUC

[Redacted]
Jane Yura, PG&E