



**Pacific Gas and
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Brigadier General Jack Hagan, Director
Safety and Enforcement 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
Missed Transmission Leak Surveys and Patrols in the Cities of Citrus Heights and
Roseville

Dear Brigadier General Hagan:

Pursuant to Resolution ALJ-274, PG&E is providing notification of self-identified non-compliance issues regarding missed leak surveys and patrols for transmission pipeline facilities on Distribution Feeder Main (DFM) 0618-05 located in the City of Citrus Heights, Sacramento County, and DFM 0618-10 located in the Cities of Citrus Heights and Roseville, Sacramento and Placer Counties, respectively.

In October 2010, PG&E increased the operating pressures of pipeline facilities on DFMs 0618-05 and 0618-10 from 175 psig to 500 psig. Prior to this, the facilities were considered distribution facilities and were leak surveyed on a 5-year interval basis. The Maximum Allowable Operating Pressure (MAOP) uprate for the DFM 0618-05 facilities was communicated to the CPUC on July 7, 2010. An MAOP uprate was not required for the DFM 0618-10 facilities, as they were already qualified for an MAOP of 720 psig. As a result of the pressure increase, these facilities were now operating at a hoop stress of 20 percent or more of SMYS, thereby classifying these facilities as transmission in accordance with the definition of **transmission line**, as defined by U.S. Department of Transportation 49 CFR §192.3.

DFMs 0618-05 and 0618-10 were last leak surveyed on October 1, 2010. During a recent review of GIS mapping information for the DFMs, PG&E discovered that the operating pressure changes to the DFM facilities had not been processed in a timely manner, and DFMs 0618-05 and 0618-10 had consequently missed their semi-annual and annual leak surveys from May 2011 to September 2013 as required by PG&E's Utility Operations Standard TD-4110S, "Leak Survey and Repair of Gas Transmission and Distribution Facilities," and 49 CFR §192.706 and §192.935 for conducting leak surveys on transmission lines.

Upon discovery of the missed leak surveys, PG&E took immediate action by conducting a leak survey on these DFM facilities on September 3, 2013, with no leaks found. The facilities have been assigned to the appropriate leak survey schedules to be surveyed in accordance with PG&E's Standard TD-4110S. In regards to PG&E's integrity management program, the facilities will be incorporated into PG&E's High Consequence Area Assessment Plan and scheduled for integrity assessment in accordance with 49 CFR §192.921.

PG&E also reviewed the patrol history of the DFM facilities and determined that, due to the delayed mapping update issue described above, the transmission facilities on DFM 0618-05 had missed or incomplete patrols from Q1 2011 to Q3 2012. Similarly, the transmission facilities on DFM 0618-10 had incomplete patrols from Q1 2011 to Q1 2013. The missed patrols result in non-compliance with PG&E's Utility Operations Standard TD-4412P-07, "Patrolling Pipelines and Mains," and 49 CFR §192.705 for conducting patrols on transmission lines. Although the delayed mapping update was not discovered until September 2013, DFMs 0618-05 and 0618-10 were patrolled quarterly beginning in Q4 2012 and Q2 2013, respectively, as part of PG&E's voluntary increased patrol effort. As of July 1, 2013, PG&E further increased the patrol frequency of these facilities from quarterly to monthly, above and beyond the requirements of TD-4412P-07 and 49 CFR §192.705.

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

PG&E will notify the local authorities for the affected cities and counties of this event and will provide confirmation of notification as a supplement to this letter.

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

Sincerely,



Frances Yee
Manager, Regulatory Compliance

cc: Dennis Lee, CPUC
Liza Malashenko, CPUC
Mike Robertson, CPUC
Sunil Shori, CPUC

Redacted
Shilpa Ramaiya, PG&E