



**Pacific Gas and
Electric Company**

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March 20th, 2014

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

Re: State of California – Public Utilities Commission
General Order 112-E Audit – PG&E's Distribution Integrity Management Program

Dear Mr. Robertson:

The CPUC Inspection Report dated September 6th 2013 documented the results of the CPUC's audit of the Distribution Integrity Management Program. PG&E responded to the report on October 7th, 2013 with our proposed actions.

We have completed the actions as planned and this letter documents what we have implemented. We have revised our DIMP procedure RMP-15 and associated attachments to address the NOV and AOC identified by the CPUC. The following summarizes the changes we have made.

Notice of Violation (1) (a), Knowledge of the System

- Action: Update Leak Repair Data Reformatting and Scrub Procedure to identify secondary data sources and a process to follow if data is unavailable.
 - ▶ Action Taken:
 - Attachment J, Leak Repair Data Reformatting and Scrub Procedure was added to RMP-15. It includes secondary data sources, Section 7.3 and procedures to identify and incorporate second sources, Section 7.4.
 - RMP-15 Section 4.4.2 updated to include information about secondary data sources.
 - RMP-15 Section 6.4 updated to include information on the use of default values.
- Action: Incorporate risk results sensitivity analysis into risk assessment and RCA identification process.
 - ▶ Action Taken:
 - Attachment H, Known Threat Identification and Known and Potential Threat Risk Evaluation was added to RMP-15. "Risk Calculation of Known Threats" Section 3 in Attachment H documents the risk sensitivity analysis.

- RMP-15 Section 6.4 updated to include information on the sensitivity analysis.

Notice of Violation (2)(a),(b), Identify Threats

- Action: Develop a new Attachment G to RMP-15 to document the process for identifying and risk ranking potential threats.
 - ▶ Action Taken:
 - Attachment G, Monitoring for Potential Threats was added to RMP-15. The new attachment documents how data sources are monitored and documented to identify new threats.
 - Attachment I, Issue Investigation Procedure was added to RMP-15. The new attachments documents how new threats are categorized as Known or Potential, prioritized and mitigated.
 - Attachment E, DIMP Steering Committee was updated to include Potential Threats as an item reviewed by the committee.
 - RMP-15 Section 5.2.4 created to outline Attachment G and Attachment I for potential threat identification.
 - RMP-15 Section 7.7 created to outline Attachment I for potential threat prioritization and mitigation.

Notice of Violation (3)(a),(b),(c),(d), Evaluate and Rank Risk

- Action: Revise RMP-15, section 4.4 to identify the Injury, Fatality, and Damage as required fields for Riskmaster and not for IGIS
 - ▶ Action Taken:
 - RMP-15 Section 4.4.2, updated to use Riskmaster as the data source for Injury, Fatality and Damage data.
- Action: Revise RMP-15 section 6.7 to clarify how PG&E determines areas of risk.
 - ▶ Action Taken:
 - RMP-15 Section 6.7 moved to Section 6.6. Section clarified to specify how line use, leak source and geographic areas are broken down to ensure adequate review.
- Action: Revise RMP-15 section 7.7 to clarify the meaning of performance as used in the Risk and Performance cross matrix.
 - ▶ Action Taken:
 - RMP-15 Section 7.7 moved to Section 6.7. High, medium and low performance is defined.
- Action: Increase risk result detail down to the district level (completed and is being implemented as part of the current 2013 DIMP cycle).
 - ▶ Action Taken:
 - RMP-15 Section 6.6 specifies risk to the district level for all cause categories other than Excavation.

Notice of Violation (4), Periodic Evaluation and Improvement

- Action: Update RMP-15 to remove section 9.2 and update sections 5 and 6 to incorporate detailed process on annual review of threat identification and risk ranking.
 - ▶ Action Taken:
 - RMP-15 Section 9.2 removed.
 - RMP-15 Section 5, various. Section updated to include annual reviews of known and potential threats.

- RMP-15 Section 6.3 updated to include annual DIMP Steering Committee review.
- RMP-15 Section 6.6 moved to Section 6.8. Section updated to include a DIMP Steering Committee annual review of risk ranking and performance results.
- RMP-15 Section 7.7 moved to Section 6.7. Clarified to include annual review by the DIMP Steering Committee
- Action: Update RMP-15 to specify in one location all the responsibilities for TSC review of DIMP cycle activities.
 - ▶ Action Taken:
 - Attachment E, DIMP Steering Committee Charter and Roster was updated to include all activities reviewed by the DIMP Steering Committee.
- Action: Update RMP-15 Section 9.8 to list out documents used in review to measure the overall program effectiveness and describe how the results of performance monitoring in RMP-15 Section 8 are used in the review.
 - ▶ Action Taken:
 - RMP-15 Section 9.8 moved to Section 9.7. Updated to include document reviewed and how results from Section 8 will be utilized.

Notice of Violation (5), Record Retention:

- Action: None required. The previous version, RMP-15 Revision 4 Section 13.2 dated March 14, 2013, included language satisfying the CPUC's finding regarding document retention and review.
 - ▶ Action Taken:
 - RMP-15 Section 13.2 was not changed from the Revision 4 update.

Area of Concern (1), Covered Facilities Under DIMP

- Action: None required. The previous version, RMP-15 Revision 4 Section 2 dated March 14, 2013, included language satisfying the CPUC's concern about identifying which pipelines are included in the Transmission Integrity Management Program or DIMP.
 - ▶ Action Taken:
 - RMP-15 Section 2 was not changed from the Revision 4 update.

Area of Concern (2)(a),(b),(c), Evaluating and Prioritizing Risks

- Action: PG&E will create a new Attachment H to RMP-15 to define the risk calculation process with specific requirement for a review of leaks on distribution facilities operating at greater than 60 psi.
 - ▶ Action Taken:
 - Attachment H, Section 2.1.4-6 created to document leaks on distribution facilities operating at greater than 60 psig.
- Action: Perform review of downgraded leaks and assess impact on risk results.
 - ▶ Action Taken:
 - Attachment J, Section 7.6.7 was added to incorporate downgraded leaks into the scrub process due to its impact on the risk results.
- Action: Update RMP-15 Section 6.5 to provide a reference to TD-4110P-03-JA01 for definitions of consequence factors.
 - ▶ Action Taken:

- RMP-15 Section 6.5 has been updated to include a reference to TD-4110P-03-JA01.

Area of Concern (3), Identify and Implement Measures to Address Risks

- Action: PG&E will revise RMP-15 Section 7.8 to more clearly state that all programs will be considered during the identification of mitigation measures.
 - ▶ Action Taken:
 - RMP-15 Section 7.8, moved to Section 7.9. Section clarified to state that all programs will be considered during the identification of mitigation measures.

Other updates to RMP-15 and associated documents include language clarification, updates to the business structure and improved document structure. Changes are recorded in Change Log in RMP-15 Section 14.

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

Sincerely,



Raymond Thierry
Director, Distribution Integrity Management Program

cc: Paul Penney, CPUC
Dennis Lee, CPUC
Lisa Malashenko, CPUC

Redacted
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Bill Gibson, PG&E
Sumeet Singh, PG&E
Frances Yee, PG&E
Redacted

Attachments

RMP-15
Attachment E
Attachment G
Attachment H
Attachment I
Attachment J