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Sr. Manager
Regulatory and Field Compliance
Gas Operations

Redacted

Email: Redacted

May 15, 2014

Denise Tyrrell, Interim 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; Incorrect Classification of Pipeline Facilities in Pittsburg, Contra Costa County

Dear Ms. Tyrrell:

Pursuant to Resolution ALJ-274, PG&E is providing notification of self-identified non-compliance issue regarding incorrect classification of transmission pipeline facilities located in the City of Pittsburg, Contra Costa County.

PG&E has been incorrectly operating and maintaining segment 104 (838 feet in length) of Distribution Feeder Main (DFM) 3012-01 as distribution pipe instead of transmission pipe. This 12-inch pipeline is fed off of transmission Line 191 in Pittsburg. Geographic Information System (GIS) incorrectly listed the wall thickness of segment 104 as 0.281 inches and indicated the segment was distribution pipe. Upon further research it was determined that the actual wall thickness is 0.219 inches. With this change in wall thickness, the hoop stress for this segment of pipe changes the percent Specified Minimum Yield Strength (SMYS) from less than 20% to greater than 20%. Per 49 CFR § 192.3, pipelines operating at 20% or more of SMYS are defined as transmission pipelines.

Because segment 104 was incorrectly categorized as distribution pipe, the pipeline was not leak surveyed semi-annually and annually, as required by PG&E's Utility Operations Standard TD-4110S, "Leak Survey and Repair of Gas Transmission and Distribution Facilities," for conducting leak surveys on transmission lines. It was also not leak surveyed in accordance with 49 CFR § 192.706, requiring annual leak surveys of transmission pipelines, or § 192.935(d)(3), requiring semi-annual leak surveys of transmission pipelines operating below 30% SMYS located in a Class 3 or Class 4 area but not in a high consequence area. As a DFM the pipeline has been included in the pipeline patrolling program.

Segment 104 is being included in the transmission integrity management program and will undergo the following analysis:

- 1) Perform HCA analysis of segment 104 in order to determine if it is required to be assessed as part of TIMP
- 2) Perform threat identification to determine applicable threats
- 3) Perform risk analysis of all 9 threats
- 4) Pending the results of steps 1-3, schedule a baseline assessment as soon as practicable.

PG&E became aware of the incorrect classification on April 8, 2014, while researching records as part of a follow up to a customer data request regarding tree removal identified from the centerline survey project. Upon discovery, PG&E conducted a leak survey on April 22, 2014 and detected no leaks.

PG&E has updated its GIS to include the 12-inch segment as a transmission facility and operate it as such. Furthermore, PG&E will notify the local authorities for the City of Pittsburg and Contra Costa County of this event and will provide confirmation of notification as a supplement to this letter. Please contact [Redacted] at [Redacted] for any additional questions you may have regarding this notification.

Sincerely,
/S/

[Redacted]
Senior Manager, Regulatory Compliance

cc: Dennis Lee, CPUC
Liza Malashenko, CPUC
Ken Bruno, CPUC
Sunil Shori, CPUC

[Redacted] PG&E
[Redacted], PG&E
Shilpa Ramaiya, PG&E
Bill Gibson, PG&E