



Redacted
Manager
Regulatory Compliance
Gas Operations

Redacted

June 16, 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
Update to March 27, 2013 Self-Report: Distribution Emergency Valve Missed
Maintenance in the City of Campbell, Santa Clara County

Dear Ms. Tyrrell:

PG&E is providing an update to its self-identified non-compliance notification submitted on March 27, 2013 regarding missed annual maintenance of distribution emergency shutdown valves in the City of San Jose, Santa Clara County. As part of that notification, PG&E committed to evaluating the issue to identify and address the pertinent safety and compliance risks on a longer term or system-wide basis.

During a review of distribution shutdown zones in its San Jose Division, PG&E identified two additional distribution emergency shutdown valves that have not been included in the maintenance plan for annual maintenance. These two valves are on the boundary between the San Jose and De Anza Divisions and a cross reference of the two divisions revealed that neither division had included the valves in the maintenance plan. The valves were installed in the late 1970s to provide for the electrical isolation between two cathodic protection areas, and have no record of being maintained. Not maintaining these two distribution emergency shutdown valves is a violation 49 CFR §192.747.

Upon discovery, these two valves were determined to be accessible and operable, and were maintained and entered into the SAP Preventative Maintenance scheduling tool for annual maintenance.

PG&E will continue with its system-wide review to ensure all distribution emergency shutdown valves are in the maintenance plan, and will develop appropriate corrective actions to address the issue on a longer term basis.

PG&E will notify the local authorities for the City of Campbell and Santa Clara County 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 update.

Ms. Denise Tyrrell
June 16, 2014
Page 2

Sincerely,

/S/

Redacted

Manager, Regulatory Compliance

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

Redacted

Shilpa Ramaiya, PG&E

Redacted