



CPUO Meeting Materials

Weekly Non-Destructive Examination Program Updates

June 6, 2014

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- PG&E/SE Alignment
 - L-114 ✓
 - Extent of Conditions for TCI Inspections
 - NDE Program Enhancements ✓
 - NDE Program Validation Protocols/Extent of Conditions (LLNL)

- Completed Activities To Date

- Next Steps
 - Schedule
 - Immediate Needs



- See presentation dated 3/7/2014 for past items
- Completed all 43 committed digs/re-inspections
- Leak Survey details
 - Leak Survey began on 600 miles of identified Gas Transmission pipeline (12/2/2013)
 - March Leak Survey Finalized
 - Zero leaks found on weld (Girth or Long Seam)
 - Continuing with authorization suspend “monthly” leak surveys
 - LLNL has completed comprehensive review of 488 Welds
 - LLNL has found zero non-compliance welds (per API 1104 20th edition)
 - Due to review of final (8) days, LLNL is now reporting rd week of June for final report
 - LLNL will provide statistical backed position that a system-wide dig program will not provide desired results of determining weld inspection compliance.

¹Activity progress/completion is discussed in the Completed Activities To Date section

²Dates are contingent on weather, permit, and/or construction schedules



NDE Program Validation Protocols

- See presentation from 2/7/2014 for previous notes
 - PG&E working to provide proposal for incorporation of Girth Weld Inspection Gaps into Risk Model (provided there are no findings from TCI Validation):
 - Follows a proven industry model (IM Model)
 - Provides for on-going and continuous threat assessment
 - Provides for traceable/verifiable/complete audit trail (yearly IM Audit)
 - Provides yearly report out on findings (yearly IM Audit)
 - LLNL supports approach
 - LLNL will show that there is no reverse ~~logic~~ relationship between weld quality and weld inspection
 - Best approach is to utilize continual ~~monitoring~~ program to identify potential areas of concern; which in turn will increase risk profile for a given segment
- See PG&E presentation “Plan for addressing noncompliant girth weld inspection system wide” for plan Summary
 - PG&E looking for SED concurrence to move forward with this approach



Completed Activities to Date

- See 2/7/14 presentation for items prior to 2/1/14
- Excavated/Tested/Passed 43 welds as of 3/11/14:
- Completed L-114 Final Report
- Created Maps of pipeline segments to be Leak Surveyed as a result of L-114 Findings
- Completed 4 monthly Leak Surveys (Dec, Jan, Feb, Mar) of 600 miles of pipeline
- Completed NDE Program enhancements
 - Implemented for all NDE Contractors as of 4/1/2014
- LLNL has completed review of 488 Non-Compliant welds from TCI
 - Pending final report during week of June 16, 2014
- Framework for long term IM approach completed
- Initiated agreement with Party Reviewer (DNV– Bill Amend) to provide endorsement of PG&EM Plan



Issuance of PG&E's Response to Bureau Veritas Report

- PG&E has provided the CPUC SED with its final response to the Bureau Veritas Report issued on March 5, 2014 and May 15, 2014
 - In summary, PG&E concludes the following:
 - The report was conducted by uncertified personnel
 - The report provides incorrect conclusions based upon current code requirements for Gas Pipeline (API 1104)
 - The testing methods of the auditors did not meet the requirements of API 1104
 - The report contains factual errors that are not supported by data
 - PG&E's findings have been substantiated by Barty consultation
 - LLNL found no weld defects in the 488 non-compliant inspections
 - NDT Technical Services found no weld defects in any of the welds reviewed by Bureau Veritas



- High Level activities within the next 6 Weeks
 - See 2/7/14 presentation for prior items:
 - Finalize Comprehensive Analysis of TCI Data Set
 - Establish required digs (3 months)
 - Finalize digs/re-inspections (TBD)
 - LLNL to complete Final Report of TCI non-compliant x-ray films
 - Presentation of IM framework to SED(6/6/14)
 - Revised IM procedures to incorporate “non-compliant weld inspections” into PG&E Integrity Management Risk Model



Appendix I

Response to "SAMPLE REVIEW of TCI RADIOGRAPHS"
by Bureau Veritas

See "Review of Bureau Veritas (BV) March 5 & May 15, 2014
Film Sample Assessment Reports"
Report 413.61-14.67
Issued 06/06/2014

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