



Bill Gibson
Director
Compliance
Gas Operations

6111 Bollinger Canyon
Road
San Ramon, CA 94583
Phone: 925.328.5795
E-mail: wlg3@pge.com

July 15, 2014

Denise Tyrrell, Acting 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 for Not Following PG&E's Leak Grading and Response Procedures in the City of Healdsburg

Dear Ms. Tyrrell:

Pursuant to Resolution ALJ-274, PG&E is providing notification of a self-identified non-compliance issue regarding not adhering to PG&E's Leak Grading and Response Procedure.

On May 29, 2014, a PG&E Quality Control (QC) Surveyor conducted a next day QC assessment of a distribution leak survey at Redacted. The QC Surveyor identified a Grade 1 leak, based on the proximity of the leak indication to the structure. PG&E personnel (construction crew) investigated the leak indication. After venting and resurveying, the presence of gas was not detected by the crew. The leak was suspected to be sewer gas based upon sewer work completed on a nearby project. However, the A-Form was not updated on May 29 to document the change in the gas concentration indication. A follow-up survey was scheduled for the following day. Leaving the Grade 1 leak unattended does not adhere to Section 5.2 of PG&E's Utility Procedure TD-4110P-09, Leak Grading and Response (Leak Grading and Response Procedure), which provides that following the identification of a Grade 1 leak PG&E is required to "[t]ake immediate and continuous corrective action until the conditions are no longer hazardous."

On May 30, 2014, the leak was resurveyed and PG&E's crew did not identify the presence of PG&E gas. The leak was downgraded from a Grade 1 to a Grade "zero" (a non-pipeline gas rating in PG&E's leak management system used simply as a placeholder for the assigned leak number) and sewer gas was cited as the basis of eliminating the leak. On June 13, 2014, the site was revisited to reevaluate the leak. During this reevaluation, the presence of gas was detected close to the building and was deemed a Grade 1 leak. A repair crew was immediately dispatched and repaired the leak that same day, within less than 2 hours of detecting the leak.

Ms. Denise Tyrrell
July 15, 2014
Page 2

PG&E entered this issue into the corrective action program and will evaluate this issue to identify and address the pertinent safety and compliance risks on a longer term or system-wide basis, as warranted.

Furthermore, PG&E will notify the local authorities for the City of Healdsburg and the County of Sonoma of this issue. A confirmation of notification as a supplement to this letter will be provided.

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

Sincerely,

/S/
Bill Gibson
Director, Compliance

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

Redacted
Shilpa Ramaiya, PG&E
Redacted