U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue SE
Washington DC 20590

2021 Gas State Program Evaluation

for

CALIFORNIA PUBLIC UTILITIES COMMISSION

Document Legend
PART:

- O -- Representative, Dates and Title Information
- A -- Progress Report and Program Documentation Review
- B -- Program Inspection Procedures
- C -- State Qualifications
- D -- Program Performance
- E -- Field Inspections
- F -- Damage prevention and Annual report analysis
- G -- Interstate Agent/Agreement States

2021 Gas State Program Evaluation -- CY 2021

Gas

State Agency: California
Agency Status:
Date of Visit: 07/26/2022 - 08/04/2022
Agency Representative: Terence Eng
PHMSA Representative: Joe Subsits, Dave Lykken

Rating:
60105(a): Yes **60106(a):** Yes **Interstate Agent:** No

Commission Chairman to whom follow up letter is to be sent:

Name/Title: Alice Reynolds, Chair
Agency: California Public Utilities Commission
Address: 555 Van Ness Avenue
City/State/Zip: San Francisco, CA 94102

INSTRUCTIONS:

Complete this evaluation in accordance with the Evaluator Guidance for conducting state pipeline safety program evaluations. The evaluation should generally reflect state program performance during CY 2021 (not the status of performance at the time of the evaluation). A deficiency in any one part of a multiple-part question should be scored as "Needs Improvement." Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the appropriate notes/comments section. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and they OBJECTIVELY reflect the state's program performance for the question being evaluated. Increasing emphasis is being placed on how the state pipeline safety programs conduct and execute their pipeline safety responsibilities (their performance). This evaluation, together with selected factors reported in the state's annual progress report attachments, provide the basis for determining the state's pipeline safety grant allocation.

Scoring Summary

PARTS		Possible Points	Points Scored
A	Progress Report and Program Documentation Review	0	0
B	Program Inspection Procedures	15	15
C	State Qualifications	10	10
D	Program Performance	50	48
E	Field Inspections	15	15
F	Damage prevention and Annual report analysis	10	10
G	Interstate Agent/Agreement States	0	0
TOTALS		**100**	**98**
State Rating			**98.0**

PART A - Progress Report and Program Documentation Review

		Points(MAX)	Score
1	Were the following Progress Report Items accurate? (*items not scored on progress report) Info Only = No Points a. Stats On Operators Data - Progress Report Attachment 1 b. State Inspection Activity Data - Progress Report Attachment 2 c. List of Operators Data - Progress Report Attachment 3* d. Incidents/Accidents Data - Progress Report Attachment 4* e. Stats of Compliance Actions Data - Progress Report Attachment 5* f. List of Records Kept Data - Progress Report Attachment 6 * g. Staff and TQ Training Data - Progress Report Attachment 7 h. Compliance with Federal Regulations Data - Progress Report Attachment 8 i. Performance and Damage Prevention Question Data - Progress Report Attachment 10*	Info Only	Info Only

Evaluator Notes:

California PUC received 46 of 50 points on the progress report. Points were deducted because of jurisdictional issues. CA PUC lacked jurisdiction for Non public intrastate gathering lines, Non public intrastate transmission lines, Non mobile home master meters and CO 2 lines. Cal PUC has inspection authority for municipal systems but does not have enforcement authority. Enforcement is conducted by PHMSA Western Region office. Assuming these authorities would require additional resources the state currently does not have.

a. Cal PUC reports 6 private operators with 44 units,13 municipal operators and 15 units, 1982 master meters and 1982 units, 629 LPG operators and 629 LPG units, 8 transmission and 25 units, 2 LNG and 2 units.

b. Cal PUC reports 2301 inspection days with 524 design and construction days. This calculates to 23% construction days. 1964 inspection days were required in SICT for 2019.

c. Units in attachments 1 and 3 match. Operators from the random operator list were found in attachment 3.

d. There were 11 federally reportable incidents in 2021. The Cal PUC progress report matched the Pipeline Data Mart. 30 day reports were submitted for all reportable incidents.

e. 8669 violations were carried over from the 2020. This matched the 2020 progress report. 5,057 violations were corrected. Progress report numbers added up correctly.

f. Electronic records were complete and readily available.

g. The progress report listed 28 inspectors. Most inspectors were category 1 & 2.

h. California is up to data on the adoption of amendments. They have automatic adoption.

i. CAL PUC is on track to perform damage prevention inspections of its largest operators. They have made considerable progress in eliminating and inspecting master meters. 722 master meters were inspected last year.

Total points scored for this section: 0
Total possible points for this section: 0

PART B - Program Inspection Procedures

		Points(MAX)	Score
1	Do written procedures address pre-inspection, inspection and post inspection activities for each of the following inspection types: Chapter 5.1 Yes = 5 No = 0 Needs Improvement = 1-4 a. Standard Inspections, which include Drug/Alcohol, CRM and Public Awareness Effectiveness Inspections b. TIMP and DIMP Inspections (reviewing largest operator(s) plans annually) c. OQ Inspections d. Damage Prevention Inspections e. On-Site Operator Training f. Construction Inspections (annual efforts) g. LNG Inspections	5	5

Evaluator Notes:

Preplanning is addressed in GSRB GO112 -F Section III(A)(B)&(C) and P.24 of Section III. Inspection procedures are addressed in Section III (D)(E)(F)(G) and pages 25 - 29 in Section III. Post inspection procedures are on page 29. Post inspection Documentation is found in Section IV. Annual check-ins are performed annually with the large operators as described in Section C of Section II of GSRB GO112-F.

a. Control room management inspections are found in GSRB GO 112-F Section III(N). Public Awareness inspections are found in Section III(O). Drug and Alcohol inspections are found in Section III (Q).12-F. Cal PUC uses IA as described in part G of Section II.

b. TIMP inspections procedures are found in GSRB GO112-F Section III(L). DIMP inspections are in Section III(M)

c. OQ inspections are addressed in GSRB GO112-F Section III(I).

d. Damage Prevention inspections are addressed in GSRB GO-112_F Section III (J).

e. On-site training is addressed in GSRB GO-112 F Section III (VII).

f. Construction inspections are addressed in GSRB GO112- F Section III(H).

g. LNG inspections are found GSRB GO112-F Section III (K).

		Points(MAX)	Score
2	Do written procedures address inspection priorities of each operator, and if necessary each unit, based on the following elements and time frames established in its procedures? Chapter 5.1 Yes = 4 No = 0 Needs Improvement = 1-3 a. Length of time since last inspection b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) c. Type of activity being undertaken by operators (i.e. construction) d. Locations of operator's inspection units being inspected - (HCA's, Geographic area, Population Centers, etc.) e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors) f. Are inspection units broken down appropriately?	4	4

Evaluator Notes:

Risk based priorities and inspection frequencies are found in part B & C of Section II which is inspection planning. Also refer to GSRB G 112-F. Risk prioritization is done with a risk assessment. Risk assessment methodology is covered in Section X. Section X starts on page 43 of GSRB GPO GO112-F. Inspection planning also covered in Section II(B) and appendix L

		Points(MAX)	Score
3	(Compliance Procedures) Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1 Yes = 3 No = 0 Needs Improvement = 1-2 a. Procedures to notify an operator (company officer) when a noncompliance is identified b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns c. Procedures regarding closing outstanding probable violations	3	3

Evaluator Notes:

Procedures covering civil penalties are found in Appendix F of the GSRB internal citation procedures. Section IV and V of GSRB GO 112-F mentions that operators will have a chance to explain circumstances leading to violation.
a. Section T of GSRB GO-112-F requires an exit meeting in 15 days. Section B of Post Inspection Documentation states that findings are to be submitted within 60 days.
b. Section D of the Post inspection Documentation portion of GSRB GO-112-F requires the original inspector to continue follow up of all violations until issue has been resolved.
c. Closure letters are required in Section E of the Post Inspection Documentation portion of CSRB GO-112-F. Closure and Processing of Municipal operators is performed by PHMSA Western Region since CA PUC does not have the authority to Enforce on these operators. The lead inspector is responsible for uploading files to the data base.

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4 (Incident/Accident Investigations) Does the state have written procedures to address state actions in the event of an incident/accident? 3 3

Yes = 3 No = 0 Needs Improvement = 1-2

a. Mechanism to receive, record, and respond to operator reports of incidents, including after-hours reports

b. If onsite investigation was not made, do procedures require on-call staff to obtain sufficient information to determine the facts to support the decision not to go on-site.

Evaluator Notes:

Investigation forms are addressed in Section III of the Gas Incident Investigation Procedures Manual. The report is auto generated from the GSRB incident data base. The investigation report include observations, contributing factors and recommendations to prevent reoccurrence are on page 38 of the incident investigation procedures.
a. The on call procedure is found in appendix A of the Gas Incident Investigation Procedures Manual.
b. Procedures to require documentation when a no go decision is made are found on page 7 of the incident investigation procedures.

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5 General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

There are no issues with part B.

Total points scored for this section: 15
Total possible points for this section: 15

PART C - State Qualifications

		Points(MAX)	Score
1	Has each inspector and program manager fulfilled training requirements? (See Guidelines Appendix C for requirements) Chapter 4.3 Yes = 5 No = 0 Needs Improvement = 1-4 a. Completion of Required OQ Training before conducting inspection as lead b. Completion of Required DIMP/IMP Training before conducting inspection as lead c. Completion of Required LNG Training before conducting inspection as lead d. Root Cause Training by at least one inspector/program manager e. Note any outside training completed f. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector (Reference State Guidelines Section 4.3.1)	5	5

Evaluator Notes:

Core qualified inspectors are Wai-Yin Chan, Kai Cheung, Randy Fienberg, Angel Garcia, Randy Holter, Gordon Huang, Sikander Khatri, Gordon Kuo, Desmond Lew, Wilson Lule, Victor Muellar, Sann Maing, Paul Penny, Anthony Phu, Michelle Wei, Yi Yang, James Zhang Terrence Eng, Mohammed Ali, Mathewson Epuna, Mohomoud Intabaly, Dennis Lee, Jason McMillan, Kan Wai Tong, Joel Tran and Darryl Gruen. Supervisors are core training , OQ, failure trained and root cause trained. All supervisors except one are IMP and DIMP qualified.

a. OQ qualified inspectors are Wai-Yin Chan, Kai Cheung, Randy Fienberg, Randy Holter, Sikander Khatri, Gordon Kuo, Desmond Lew, Victor Muellar, Sann Maing, Paul Penny, Michelle Wei, Yi Yang, James Zhang Terrence Eng, Mohammed Ali, Mathewson Epuna, Mohomoud Intabaly, Dennis Lee, Jason McMillan, Kan Wai Tong, and Joel Tran.

b. Inspectors who are IMP qualified are Wai-Yin Chan, Randy Holter, Sikander Khatri, Gordon Kuo, Paul Penny, Anthony Phu, Michelle Wei, and James Zhang. Inspectors that are DIMP qualified are Wai-Yin Chang, Kai Cheung, Randy Holter, Sikander Khatri, Gordon Kuo, Desmind Lew, Wilson Lule, Paul Penny, Anthony Phu, Michell Wei, Yi Yang and James Zhang.

c. Though there is no LNG in California, Sikander Khatri and Michelle Wei have been LNG trained.

d. Root cause trained inspectors are Wai-Yin Yang, Randy Feinberg, Randy Holter, Sihander Khatri, Gordon Kuo, Desmond Lew, Paul Penny, Michelle Wei and James Zhang.

e. There was no outside technical training. A writing class was offered to personnel.

f. Inspectors who performed inspections were qualified in accordance with state guidelines.

2	Did state records and discussions with state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? Yes = 5 No = 0 Needs Improvement = 1-4	5	5

Evaluator Notes:

Terrence Eng is Core IMP, DIMP, failure, root cause, and OQ qualified. Terrance has been with the PUC since 2008. He started as an inspector and had adequate knowledge of PHMSA program and regulations.

3	General Comments: Info Only = No Points	Info Only	Info Only

Evaluator Notes:

There were no issues with Part C.

Total points scored for this section: 10
Total possible points for this section: 10

PART D - Program Performance

		Points(MAX)	Score
1	Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 Yes = 5 No = 0 Needs Improvement = 1-4 a. Standard (General Code Compliance) b. Public Awareness Effectiveness Reviews c. Drug and Alcohol d. Control Room Management e. Part 193 LNG Inspections f. Construction (did state achieve 20% of total inspection person-days?) g. OQ (see Question 3 for additional requirements) h. IMP/DIMP (see Question 4 for additional requirements)	5	3

Evaluator Notes:
No. Reviewed CY2021 random list of operators. Mobile Home Parks (MM) 24 of the 66 inspected and 23 of 59 LPG facilities inspected in CY2021 did not meet the maximum five-year time interval established. The program continues to work with local distribution companies and MM operators to reduce the number of MM systems. In CY2021 the number of MM's was reduced from 2064 to 1982. LDCs and transmission operators found to be within the required time intervals.

2	Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms? Chapter 5.1. Do inspection records indicate that adequate reviews of procedures, records and field activities, including notes and the appropriate level of inspection person-days for each inspection, were performed? Yes = 10 No = 0 Needs Improvement = 1-9 a. Standard (General Code Compliance) b. Public Awareness Effectiveness Reviews c. Drug and Alcohol d. Control Room Management e. Part 193 LNG Inspections f. Construction g. OQ (see Question 3 for additional requirements) h. IMP/DIMP (see Question 4 for additional requirements)	10	10

Evaluator Notes:
a. IA used for standard inspections. Master Meter and propane inspection are performed using a state form.
b. IA is used for public awareness inspections
c. IA is used for drug and alcohol inspections
d. IA is used for Control Room Management inspections.
e. IA is used for LNG inspections.
f. Cal PUC uses a state form for construction inspections
g. IA is used for Operator Qualification inspections
h. IA is used for IMP/DIMP inspections.

3	Is state verifying monitoring (Protocol 9/Form15) of operators OQ programs? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals established in the operator's plan. 49 CFR 192 Part N Yes = 2 No = 0 Needs Improvement = 1	2	2

Evaluator Notes:
Protocol 9 was found in IA standard inspection reports. Protocol 9 required to be done with every standard inspection. Operator Qualification inspections were done within required intervals.

4 Is state verifying operator's integrity management Programs (IMP and DIMP)? This should include a review of plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operator's plan(s). 49 CFR 192 Subparts O and P — 2 — 2

Yes = 2 No = 0 Needs Improvement = 1

a. Are the implementation plans of the state's large/largest operators(s) being reviewed annually to ensure they are completing full cycle of the IMP process?

b. Are states verifying with operators any plastic pipe and components that have shown a record of defects/leaks and mitigating those through DIMP plan?

c. Are the states verifying operators are including low pressure distribution systems in their threat analysis?

Evaluator Notes:

Programmatic IMP inspections are performed within the required 5 year intervals.

a. CAPUC meets with DIMP operators annually to go over DIMP program. Large transmission operator are contacted or evaluated annually to review IMP programs

b. Problematic pipe is identified during DIMP inspections.

c. Only one operator has a low pressure system. This question is found in IA considerations and evaluated then.

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5 Did the state review the following (these items are NTSB recommendations to PHMSA that have been deemed acceptable response based on PHMSA reviewing these items during the evaluation process): Chapter 5.1 — 2 — 2

Yes = 2 No = 0 Needs Improvement = 1

a. Operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken;

b. Operator procedures for surveillance of cast iron pipelines, including appropriate action resulting from tracking circumferential cracking failures, study of leakage history, or other unusual operating maintenance condition? (Note: See GPTC Appendix G-18 for guidance);

c. Operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings Refer to 4/12/01 letter from PHMSA in response to NTSB recommendation P-00-20 and P-00-21;

d. Operator records of previous accidents and failures including reported third-party damage and leak response to ensure appropriate operator response as required by 192.617;

e. Directional drilling/boring procedures of each pipeline operator or its contractor to determine if they include actions to protect their facilities from the dangers posed by drilling and other trench less technologies;

f. Operator procedures for considering low pressure distribution systems in threat analysis?

g. Operator compliance with state and federal regulations for regulators located inside buildings?

Evaluator Notes:

Yes. a & b: All known cast iron systems have been replaced in California.

c: Emergency response plans typically reviewed during operator Headquarters procedures and plan reviews.

d: Staff are assigned to review and document operator annual reports. Data is used in part to prioritize inspections/inspection activities. Question incorporated into IA Standard Inspection protocols used by the program. Pipeline mileage and material type tracked in the "Jurisdictional Operators - Annual Report Analysis & Trends" spreadsheet (reviewed 3/15/2021 revision).

e: Question incorporated into CPUC Damage Prevention inspection checklist and part of operator annual check-in meetings.

f: Procedural question incorporated into IA DIMP protocol question set.

g: Procedural question incorporated into IA GD Baseline P/R/O, DIMP, DIMP Implementation, MMLPGIM, and DT&C question sets.

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6 Did the State verify Operators took appropriate action regarding advisory bulletins issued since the last evaluation? (Advisory Bulletins Current Year) — 1 — 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

CA PUC Notified operators by email 6/10/21 asking a response to last years advisory bulletin. The email required an operator response on how advisory bulletin will be met. All operators responded.

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7 (Compliance Activities) Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1 — 10 — 10

Yes = 10 No = 0 Needs Improvement = 1-9

a. Were compliance actions sent to company officer or manager/board member if municipal/government system?

b. Were probable violations documented properly?

c. Resolve probable violations

d. Routinely review progress of probable violations

e. Did state issue compliance actions for all probable violations discovered?

f. Can state demonstrate fining authority for pipeline safety violations?

g. Does Program Manager review, approve and monitor all compliance actions? (note: Program Manager or Senior Official should sign any NOPV or related enforcement action)

h. Did state compliance actions give reasonable due process to all parties? Including "show cause" hearing, if necessary.

i. Within 30 days, conduct a post-inspection briefing with the owner or operator outlining any concerns

j. Within 90 days, to the extent practicable, provide the owner or operator with written preliminary findings of the inspection. (Incident investigations do not need to meet 30/90-day requirement)

Evaluator Notes:

Compliance letters were reviewed, Inspection dates were reviewed Letters reviewed. Documentation addressed violations. Compliance actions were appropriate.

a. Letters were addressed to appropriate personnel. Letters are addressed to the chief executive officer.

b. Compliance issues were documented properly and checked.

c. Compliance actions were appropriate and properly resolved.

d. Compliance items are tracked in the program data base. Supervisors are responsible for tracking compliance items.

e. All compliance items identified during the inspection were listed in the associated compliance letter.

f. Fines were issued in 2022 and 2020.

g. All compliance action are described in letters signed and approved by Terence.

h. Compliance letters identify the due process as an option for operators.

i. Exit interviews are conducted within 30 days of the last day of the inspection.

j. Written findings were sent within 90 days. There was one instance where a damage prevention inspection of the City of Coalinga went beyond 90 days. Inspection 2524 City of Coalinga damage was completed on 12/16/20, the letter was sent on 7/1/21. Sunil went on leave. This delayed the release of the letter, There was email communication between Dustin and CAL PUC in April 2021.

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8 (Incident Investigations) Were all federally reportable incidents investigated, thoroughly documented, with conclusions and recommendations? — 10 — 10

Yes = 10 No = 0 Needs Improvement = 1-9

a. Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports?

b. Did state keep adequate records of Incident/Accident notifications received?

c. If onsite investigation was not made, did the state obtain sufficient information from the operator and/or by means to determine the facts to support the decision not to go on site?

d. Were onsite observations documented?

e. Were contributing factors documented?

f. Were recommendations to prevent recurrences, where appropriate, documented?

g. Did state initiate compliance action for any violations found during any incident/accident investigation?

h. Did state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA?

i. Does state share any lessons learned from incidents/accidents?

Evaluator Notes:

a: Yes. The program has mechanisms in place (designated phone number or CPUC web reporting tool) for receiving and responding to operator reports of incidents including after-hours. b/c: Per the programs written procedures, the on-call engineer is to obtain available information from the operator and consult with his/her supervisor if there are any questions regarding the need to conduct a field investigation. Adequate documentation was collected in those instances where an on-site visits did not occur. d, e, & f: Yes. The program utilizes a customized Incident Investigation Report to document on-site observations, contributing factors and recommendations when necessary to prevent reoccurrences. g: Yes, the program initiated compliance actions where probable violations were identified (3 instances)and routinely reviews progress of PV's when necessary. h: Yes, the program maintains good communications with AID. I. Yes, during the regional and national NAPSR conferences.

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9 Did state respond to Chairman's letter on previous evaluation within 60 days and correct or address any noted deficiencies? (If necessary) Chapter 8.1 — 1 — 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

The letter from Zach to Mary bel Batjer went out 10/20/21. The Cal PUC response letter was sent on 12/3/2021. Cal PUC s response was within 60 days. Point deduction occurred for not having authority for municipal systems and for not inspecting all master meters and LPS systems within 5 years. Alice Reynolds is the current chair.

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10 Did State conduct or participate in pipeline safety training session or seminar in Past 3 Years? Chapter 8.5 — Info Only — Info Only

Info Only = No Points

Evaluator Notes:

A safety seminar conducted on 4/17/2019. The next seminar is at Fresno on August 9-11/2021.

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11 Has state confirmed transmission operators have submitted information into NPMS database along with changes made after original submission? — Info Only — Info Only

Info Only = No Points

Evaluator Notes:

This question is addressed in IA.

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12 Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public). — 1 — 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

The PUC web page has annual reports, reportable incident's for 2020, probable violations from 2017-2019, inspection reports, pipeline Company contact information, safety plans, PUC safety plan, link to NPMS, penalties issued, Staff contact information, safety seminar information, regulations, siting information, PHMSA, NAPSR contact information and damage prevention information. The State seminar is another method of communication. The Commission has a monthly newsletter.

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13 Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.7 — 1 — 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Cal PUC had 22 SRC's in 2021 3 general corrosion or pitting, 1 material defect or physical damage, 15 conditions which could lead to immanent hazard and three MAOP plus buildup exceeded. The response to the conditions appeared OK. WMS emails are sent by PHMSA, A supervisor assigns the SRC to an engineer to investigate. The engineer is responsible for doing an evaluation of the SRC and populating WMS. If there are compliance issues condition goes through the compliance process, SRCs were reviewed and found to be properly investigated and managed.

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14 Was the State responsive to: — 1 — 1

Yes = 1 No = 0 Needs Improvement = .5

a. Surveys or information requests from NAPSR or PHMSA; and

b. PHMSA Work Management system tasks?

Evaluator Notes:

Terence has email record of participation in NAPSR surveys. As of March 1, 17 of 47 WMS items were closed. Paul Penny (Senior inspector) is the process owner and handles PHMSA IM notification's and WMS activities. Dennis Lee is responsible for ensuring that WMS is maintained Dennis and Paul update WMS entries.

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15 If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate. 1 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

One waiver was issued on 10/30/20 to PG&E. The waiver is provide an extension of deadlines for completion of "can't get in " for CGI monitoring. PGE was approved for a second extension on 2021 and is valid until Dec 22. This was a response to Covid implications.

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16 Were pipeline program files well-organized and accessible? Info Only Info Only

Info Only = No Points

Evaluator Notes:

Cal PUC maintains electronic files. Information for the evaluation was readily available.

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17 Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool (SICT). Has the state updated SICT data? 3 3

Yes = 3 No = 0 Needs Improvement = 1-2

Evaluator Notes:

In 2021, CAL PUC had 1964 SICT days. 20% of 1964 is 393. This is the number of required construction days. There were 524 actual construction days in 2021. No modifications of the SICT day data entry numbers were required.

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18 Discussion on State Program Performance Metrics found on Stakeholder Communication site.\ http://primis.phmsa.dot.gov/comm/states.htm?nocache=4805 Info Only Info Only

Info Only = No Points

Evaluator Notes:

Gas days per 1000 miles have trended down since 2017 to 8 days per 1000 miles. These 8 days are the four highest days since 2010. Inspection days per master meter/LPG units are at .19 days. This represents the highest number of days since 2010. There appears to be an upward trend. Excavation damage is down to 2 damages per 1000 tickets. This chart is trending down and this represents the lowest figure since 2010. The percentage of enforcement score is at 90%, this is due to the lack of enforcement authority to regulate municipalities. The incident investigation score is at 100 %. The percent of inspectors with core training is trending down from 2013 but trending up from 2018. %additional training is trending up from 2018. % 5 year retention of inspectors is trending up from 2017. % leaks repaired/eliminated are trending up from 2010. Hazardous leaks eliminated / repaired is slightly trending up from 2010. Leaks scheduled for repair at the end of the year per 1000 miles is trending slightly downward from 2010.

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19 Did the state encourage and promote operator implementation of Pipeline Safety Management Systems (PSMS), or API RP 1173? This holistic approach to improving pipeline safety includes the identification, prevention and remediation of safety hazards. Info Only Info Only

Info Only = No Points

a. https://pipelinesms.org/

b. Reference AGA recommendation to members May 20, 2019

Evaluator Notes:

All LDC's use SMS

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20 General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

Some master meter inspections frequencies missed the 5 year inspection interval. This is a 2 point deduction

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Total points scored for this section: 48
Total possible points for this section: 50

PART E - Field Inspections

		Points(MAX)	Score
1	Operator, Inspector, Location, Date and PHMSA Representative (enter specifics into the comments box below) Info Only = No Points a. What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc) b. When was the unit inspected last? c. Was pipeline operator or representative present during inspection? d. Effort should be made to observe newest state inspector with least experience	Info Only	Info Only

Evaluator Notes:

1. PG&E Town of El Granada, CA. A DT&C inspection of a ongoing Aldyl-A PE pipe replacement project (Main and Services). Operator's representative was present during the inspection. Observed CPUC Lead: Wai-Yin (Franky) Chan. Inspector: Hengyao (Henry) Chen. Operator rep was present and engaged.
Observed Sann Naing and Gordon Kuo do a standard inspection of San Diego Gas and Light North District. This Distrit was last inspected in 2017. The operator was present during the inspection. Sann had 5 years of experience. Gordon has 6 years of experience.

2	Did the inspector use an appropriate inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) Yes = 2 No = 0 Needs Improvement = 1	2	2

Evaluator Notes:

1. The inspection was conducted utilizing the CPUC Safety Division's GSRB Field Inspection form.
2. The IA inspection form was used to document the San Diego Gas and Light inspection.

3	Did the inspector adequately review the following during the inspection Yes = 10 No = 0 Needs Improvement = 1-9 a. Procedures (were the inspector's questions of the operator adequate to determine compliance?) b. Records (did the inspector adequately review trends and ask in-depth questions?) c. Field Activities/Facilities (did inspector ensure that procedures were being followed, including ensuring that properly calibrated equipment was used and OQ's were acceptable?) d. Other (please comment) e. Was the inspection of adequate length to properly perform the inspection?	10	10

Evaluator Notes:

1. Yes. The inspector has spent multiple days on this replacement project and is familiar with the operators construction procedures. Operator procedures were readily available on the inspector's mobile device. Over the course of this project Mr. Chan has ensured that construction personnel are qualified on all tasks observed including joining certifications. He checked the general condition of pipe materials as well as those segments previously installed for proper shading, backfill, depth of cover. Equipment and associated appurtenances were checked for general condition as well as equipment calibration records. Site location visits are of appropriate length to determine compliance.
2. The San Diego Gas and Light inspection involved records review, field visit and procedures review to help assess OQ protocol 9. The inspection was not completed by the time I left the inspection.

4	From your observation did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable) Yes = 2 No = 0 Needs Improvement = 1	2	2

Evaluator Notes:

Yes. Mr. Chan has demonstrated good knowledge of regulations and program specifics and shared his knowledge with Henry Chen, one of the program's newest inspectors.
Sann and Gordon were qualified to perform the inspection. The did a thorough job of records review and field work. Both inspectors asked good questions during the course of the inspection.

5	Did the inspector conduct an exit interview, including identifying probable violations? (If inspection is not totally completed the interview should be based on areas covered during time of field evaluation) Yes = 1 No = 0 Needs Improvement = .5	1	1

Evaluator Notes:

1. No issues identified during this observation. The project is on-going. As a practice if issues are identified they are brought immediately to the operator's attention at that time.
2. Exit interview is required to be conducted. The exit interview also provides the operator with a documented list of compliance issues as a result of the inspection.

6	Was inspection performed in a safe, positive, and constructive manner ? Info Only = No Points a. No unsafe acts should be performed during inspection by the state inspector b. What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) c. Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) d. Other	Info Only	Info Only

Evaluator Notes:

1. Yes, the Mr. Chan performed the inspection in a safe, positive, and professional manner. He observed the condition of pipeline facilities to assure compliance with both state and federal regulations.
2' The inspections was conducted in a safe manner. The proper PPE was used. The inspection covered review of CGI surveys, bridge inspections, moving earth surveys, rectifier inspections and pipe to soil readings. With the covid protocols, the inspection rooms for regulator and operator were different but adjacent to each other. The inspection involved through records review. The operator was readily available to answer questions and to follow up on on irregularities.

7	General Comments: Info Only = No Points	Info Only	Info Only

Evaluator Notes:

1. No issues identified.
2. No issues idetified for San Diego Gas and Light inspection.

Total points scored for this section: 15
Total possible points for this section: 15

PART F - Damage prevention and Annual report analysis

		Points(MAX)	Score
1	Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues. Yes = 2 No = 0 Needs Improvement = 1	2	2

Evaluator Notes:
James Zhang is process owner responsible for reviewing annual reports and incident reports for accuracy and analysis. James is senior utility specialist

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2	Has the state verified that the operators analyze excavation damages for the purpose of determining root causes and minimizing the possibility of a recurrence? (192.617) Has the state verified that the operators have appropriately identified excavators who have repeatedly violated one-call laws and damaged their facilities. Have the operators taken steps to mitigate that risks? (192.1007) Yes = 2 No = 0 Needs Improvement = 1	2	2

Evaluator Notes:
Cal PUC has a dig in data base that is used to help manage damage prevention activity. Data comes in in quarterly to the Commission from operators. Sann Naing is damage prevention process owner responsible to inputting quarterly reports.

3	Has the state reviewed the operator's annual report pertaining to Part D - Excavation Damage? Yes = 4 No = 0 Needs Improvement = 1-3 a. Is the information complete and accurate with root cause numbers? b. Has the state evaluated the causes for the damages listed under "One-Call Notification Practices Not Sufficient" (Part D.1.a.)? c. Has the state evaluated the causes for the damages listed under "Locating Practices Not Sufficient" (Part D.1.b)? For each operator, does the state review the following? d. Is the operator or its locating contractor(s) qualified and following written procedures for locating and marking facilities? e. Is the operator appropriately requalifying locators to address performance deficiencies? f. What is the number of damages resulting from mismarks? g. What is the number of damages resulting from not locating within time requirements (no-shows)? h. Is the operator appropriately addressing discovered mapping errors resulting in excavation damages? i. Are mapping corrections timely and according to written procedures? j. Has the state evaluated the causes for the damages listed under "Excavation Practices Not Sufficient" (Part D.1.c.)?	4	4

Evaluator Notes:
Discussed the CY2021 annual report data which indicate higher than average national average percentages on damages related to Damages per 1000 Tickets (City of Long Beach), One Call Notification Practices not Sufficient (SoCal Gas, PG&E, SW Gas, SDG&E, City of Long Beach), and damages categorized as "Other" (SW Gas & City of Long Beach). Discussions with each operator are needed to understand how each intend to improve in these areas. The damage prevention program is evolving rapidly.

4	Has the agency or another organization within the state collected data and evaluated trends on the number of pipeline damages per 1,000 locate requests? Yes = 2 No = 0 Needs Improvement = 1 a. What stakeholder group is causing the highest number of damages to the pipelines? Operator, contractor, locating company or public. b. Has the state verified the operator is appropriately focusing damage prevention education and training to stakeholders causing the most damages? c. Has the state evaluated which of the following best describes the reason for the excavation damages; i.e., operator or contractor not following written procedures, failure to maintain marks, failure to support exposed facilities, failure to use hand tools were required, failure to test-hole (pot hole), improper backfilling practices, failure to maintain clearance or insufficient excavation practices.	2	2

d. Has the state verified the operator is appropriately focusing damage prevention education and training to address the causes of excavation damages?

Evaluator Notes:

Quarterly reports are inputted into data base for review. Damage prevention activities are reviewed during the damage prevention inspections and PA inspections.

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5 General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

There were no issues with Part F.

Total points scored for this section: 10
Total possible points for this section: 10

PART G - Interstate Agent/Agreement States

		Points(MAX)	Score
1	Were all inspections of interstate pipelines conducted using the Inspection Assistant program for documenting inspections? Info Only = No Points	Info Only	Info Only

Evaluator Notes:
California PUC is not an interstate agent.

2	If inspections were conducted independent of a PHMSA team inspection was notice of all identified probable violations provided to PHMSA within 60 days? Info Only = No Points	Info Only	Info Only

Evaluator Notes:
California PUC is not an interstate agent.

3	If inspections were conducted independent of a PHMSA team inspection was PHMSA immediately notified of conditions which may pose an immediate safety hazard to the public or environment? Info Only = No Points	Info Only	Info Only

Evaluator Notes:
California PUC is not an interstate agent.

4	If inspections were conducted independent of a PHMSA team inspection did the state coordinate with PHMSA if inspections not were not included in the PHMSA Inspection Work Plan? Info Only = No Points	Info Only	Info Only

Evaluator Notes:
California PUC is not an interstate agent.

5	Did the state take direction from and cooperate with PHMSA for all incident investigations conducted on interstate pipelines? Info Only = No Points	Info Only	Info Only

Evaluator Notes:
California PUC is not an interstate agent.

6	General Comments: Info Only = No Points	Info Only	Info Only

Evaluator Notes:
No issues with subpart G. California PUC is not an interstate agent.

Total points scored for this section: 0
Total possible points for this section: 0