

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 22, 2016

Mr. Sumeet Singh, Vice President  
Pacific Gas and Electric Company  
Gas Asset and Risk Management  
6111 Bollinger Canyon Road, Room 4590-D  
San Ramon, CA 94583

*GI-2015-08-PGE16-02A*

SUBJECT: General Order 112 Gas Audit and Whistleblower Complaint Investigation of  
PG&E's Drug and Alcohol Misuse Prevention Program

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112 inspection of Pacific Gas & Electric Company's (PG&E) Drug and Alcohol Misuse Prevention Program on October 26-29, 2015.<sup>1</sup> The inspection included a review of the company's written program and test records, as well as a field audit of collection sites.

In addition, SED has recently conducted an investigation of a whistleblower's complaints concerning the PG&E Drug and Alcohol program.

SED's findings are noted in the Summary of Investigation and Inspection Findings (Summary) which is enclosed with this letter.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by PG&E to address the violations and observations noted in the Summary. Pursuant to Commission Resolution ALJ-274, SED staff has the authority to issue citations for each violation found during the audit.

If you have any questions, please contact Fred Hanes at (415) 703-5264 or by email at [fred.hanes@cpuc.ca.gov](mailto:fred.hanes@cpuc.ca.gov).

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno  
Program Manager  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

Enclosure: Summary of Investigation and Inspection Findings

<sup>1</sup> General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 156-06-044.

cc: Mike Falk, PG&E Compliance Gas Operations  
Kathy Ocegüera, PG&E DOT-RC, Transportation Services  
Susie Richmond, PG&E Gas Operations Regulatory Compliance and Risk Analysis  
Gary Guerrero, PG&E Gas Regulatory Support

## SUMMARY OF INVESTIGATION AND INSPECTION FINDINGS

### **I. Probable Violations**

#### SED Findings

1) Title 49 CFR §199.1 states: *“This part requires operators of pipeline facilities subject to Part 192, 193, or 195 of this chapter to test covered employees for the presence of prohibited drugs and alcohol”.*

49 CFR §199.3, Definitions, states in part:

*Covered employee, employee, or individual to be tested means a person who performs a covered function, including persons employed by operators, contractors engaged by operators, and persons employed by such contractors. Covered function means an operations, maintenance, or emergency-response function regulated by part 192, 193, or 195 of this chapter that is performed on a pipeline or LNG facility.*

49 CFR §199.101 (a) states in part:

*Each operator shall maintain and follow a written anti-drug plan that conforms to the requirements of this part and the DOT Procedures.*

During the inspection, SED learned from a PG&E Labor Relations representative that some employees who perform covered functions regulated by part 192, such as Field Engineer or Aerial Survey Pilot, have long been considered as covered employees but have not been listed in the Plan, which otherwise includes a detailed list of many covered positions.

SED observed that a new page adding six job titles had been recently inserted into copies of the Plan provided during the audit, but found that the document revision process had not been completed for that insertion, so that the new page was not yet officially a part of the Plan. The six new titles inserted but not under document control as of Oct. 29, 2015 were: Field Engineer, Field Engineering Technician, Sr. Field Engineering Technician, and the Hiring Hall versions of those same titles. Aerial Survey Pilot did not appear on the new page.

The document-controlled version of the Plan that was in effect during the audit did not accurately state the coverage of the Plan. PG&E must ensure the list of covered positions in its written plan adequately identifies all covered functions subject to its Anti-drug plan and ensure testing of all employees who perform covered functions.

PG&E is in violation 49 CFR §199.101 (a)

2) Title 49 CFR §199.101 (a) (4) states in part:

*Each operator shall maintain and follow a written anti-drug plan that conforms to the requirements of this part and the DOT Procedures. The plan must contain-  
(4) Procedures for notifying employees of the coverage and provisions of the plan.*

During the inspection, SED reviewed “PG&E Utility Standard TRAN 5000S, Drug and Alcohol Testing Requirements Standard”. That standard includes the company anti-drug and alcohol plan and policies. Details of the program were reviewed in the attachments titled:

1. “Anti-Drug and Alcohol Misuse Prevention Plan”. (the Plan)
2. “PG&E’s Drug-Free Workplace Program, DOT Drug and Alcohol Testing Program, Employee Policy and Handbook”. (the Handbook)

SED did not find specific procedures within the PG&E standard or its attachments for how employees are to be notified of the coverage and provisions of the plan.

As part of the whistleblower investigation, PG&E responded to data requests which show that PG&E failed to maintain signed Acknowledgements of Receipt of the Employee Handbook for 5 Field Engineers employed during 2012-2015. Thus, there is no record that these employees were notified of the coverage and provisions of the Plan.

PG&E is in violation of 49 CFR §199.101 (a) (4).

3. Title 49 CFR §199.105 (a) states:

*No operator may hire or contract for the use of any person as an employee unless that person passes a drug test or is covered by an anti-drug program that conforms to the requirements of this act.*

During the inspection, SED found an instance of a random drug test performed in March 2015 on a Field Engineer, for whom there was no record of having taken a pre-employment screening test. PG&E has stated that the position of Field Engineer has long been considered to be included in the random drug test pool, even though the position was not listed in the written Plan. That Engineer began work on September 1, 2012, and had transferred from a non-covered PG&E position. If they were entering a covered position they should have passed a pre-employment drug test. There is no record that such a test was given.

As part of the whistleblower investigation, PG&E responded to data requests which show that PG&E failed to conduct pre-employment tests for 31 Field Engineers from January 1, 2012 to June 30, 2015, as required by their Plan.

PG&E is in violation of 49 CFR §199.105 (a).

## **II. Areas of Concerns/ Observations/ Recommendations**

1. Title 49 CFR §199.113, Employee Assistance Program, states in part:

*b) Education under each EAP must include at least the following elements: display and distribution of informational material; display and distribution of a community service hot-line telephone number for employee assistance; and display and distribution of the employer’s policy regarding the use of prohibited drugs.*

During the audit, SED inspected the PG&E office building at 3401 Crow Canyon Road, San Ramon, for displays of EAP materials and the anti-drug policy on several employee bulletin boards in hallways and break areas. SED did not find any examples of EAP posters, employer

policy, or related materials. SED notes that the Crow Canyon Rd. building where the inspection was conducted is not a primary location for covered employees to work. However the lack of flyers, posters, and etc. in this building raises a concern about the proper display and distribution in covered-function work locations.

PG&E should ensure that it provides display of informational material, community service hot-line telephone number for employee assistance, and its company policy regarding the use of prohibited drugs in locations where covered employees report for work.