

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 24, 2022

GI-2022-03-SCG-40-16

Mr. Rodger Schwecke
Senior Vice President and Chief Infrastructure Officer
Southern California Gas Company
555 West 5th Street, GT21C3
Los Angeles, CA 90013

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a **General Order (G.O.) 112-F Comprehensive Operation and Maintenance Inspection of Southern California Gas Company (SoCalGas)ʼs Transmission Producer Sites** (Inspection Unit) on March 7 through March 17 of 2022 for calendar years 2017 through 2021. SED conducted records review and field inspections of SoCalGas transmission pipeline facilities at San Joaquin Valley, Coastal, Basin, and South Desert regions within the Inspection Unit. SEDʼs staff also reviewed the implementation of the Operator Qualification program, which included field observation of randomly selected individuals performing covered tasks.

SEDʼs staff used the Pipeline and Hazardous Materials Safety Administrationʼs (PHMSA) Inspection Assistance (IA) as a reference guide to conduct this inspection.

SEDʼs staff identified zero (0) violations of G.O. 112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192, and noted three (3) areas of concern which are described in the attached "Post-Inspection Written Preliminary Findings".

Please provide a written response within 30 days of receipt of this letter indicating any updates or corrective actions taken by SoCalGas to address the two concerns noted in the "Post-Inspection Written Preliminary Findings".

Thank you for your cooperation in this inspection. If you have any questions, please contact Randy Holter, Senior Utilities Engineer (Specialist), at (213) 576-7153 or by email at randy.holter@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Terence Eng".

Terence Eng, P.E.
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

Attachments: see Post-Inspection Written Preliminary Findings
cc: see next page

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Post-Inspection Written Preliminary Findings

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Date of Transmittal: 06/23/2022

Dates of Inspection: March 7 through March 17, 2022

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Inspection Systems: Transmission Producer Site OM Procedures Records Observations

Assets (Unit IDs) with results in this report: T: San Joaquin Valley (87053); T: Coastal (87055); T: Basin (87054); T: South Desert (87056)

System Type: GT

Inspection Name: 2022 SoCalGas Transmission Producer Sites

Lead Inspector: Randy Holter

Operator Representative: Austin Walker

Unsatisfactory Results

No Preliminary Findings.

Concerns

Time-Dependent Threats: Atmospheric Corrosion (TD.ATM)

Question Title, ID	Atmospheric Corrosion Monitoring, TD.ATM.ATMCORRODEINSP.O
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Question	5. Is pipe that is exposed to atmospheric corrosion protected?
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References	192.481(b) (192.481(c), 192.479(a), 192.479(b), 192.479(c))
Assets Covered	T: Coastal (87055 (52))
Issue Summary	<p>During the field inspection on 3/9/22 at <u>OM 3372 DCOR RINCORN</u>, SED observed signs of atmospheric corrosion on above ground pipeline underneath pipe and pipe elbow.</p> <p>Title 49 CFR, Part 192, § 192.479(a) states in part; "<i>Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere,</i>", and</p> <p>Title 49 CFR, Part 192, § 192.479(b) states, "<i>Coating material must be suitable for the prevention of atmospheric corrosion.</i>"</p> <p>SED recommends that SoCalGas takes the appropriate corrective actions to clean and coat underneath the pipe and the pipe elbow to ensure compliance with Title 49 CFR, Part 192, § 192.479(a)&(b).</p>

Time-Dependent Threats: External Corrosion - Cathodic Protection (TD.CP)

Question Title, ID	Isolation from Other Metallic Structures, TD.CP.ELECISOLATE.O
Question	14. Are measures performed to ensure electrical isolation of each buried or submerged pipeline from other metallic structures unless they electrically interconnect and cathodically protect the pipeline and the other structures as a single unit?
References	192.467(a) (192.467(b), 192.467(c), 192.467(d), 192.467(e))
Assets Covered	T: San Joaquin Valley (87053 (54)), T: Coastal (87055 (52)), T: Basin (87054 (51)), T: South Desert (87056 (50))
Issue Summary	<p>During the field inspection, SED observed the following conditions:</p> <ul style="list-style-type: none"> • Electric Test Stations (ETS) at T: Coastal, OM 3372, 3373 & 3383 - SoCalGas Field Technician tested the insulating devices at outlet flanges and inlet flanges of the three ETS and found them to be shorted (electrically connected). • ETS at T: Coastal, OM 3383 – SoCalGas Field Technician conducted pipe-to-soil (CP) read (inlet read) and found it to be -634mV. In addition, he tested the insulating device and found it to be shorted. • ETS at T: Coastal, OM 5502 – SoCalGas Field Technician tested the insulating devices at outlet flanges and inlet flanges and found them to be

shorted (i.e., facilities are not electrically isolated, or metal platform facility was built on was not electrically isolated).

- ETS at T: Basin, OM 1550 – SoCalGas Field Technician tested the insulating device upstream and downstream of demarcation flange, at the producer side of the plant, and found the CP read to be -534mV, and showed infinite resistance across the flange. In addition, SoCalGas Field Technician took another CP read at a different location and found it to be -531mv. According to SoCalGas representative, the low CP read was contributed to a stray current that may be occurring and the shorted insulating device on the filter/separator from underground piping.
- ETS at T: Basin, OM 5450X – SoCalGas Field Technician tested the insulating device between the producer piping and SoCalGas piping and found it to be shorted (CP read on both sides was the same -585mV (i.e., facilities are not electrically isolated, or metal platform facility was built on was not electrically isolated).

Title 49 CFR Part 192, § 192.467 (a) states, “*Each buried or submerged pipeline must be electrically isolated from other underground metallic structures, unless the pipeline and the other structures are electrically interconnected and cathodically protected as a single unit.*”

SED recommends that SoCalGas takes the appropriate corrective actions to ensure that the insulating devices on its pipeline facilities are installed and in good working condition (preventing metal to metal contact across the joint) for compliance with Title 49 CFR, Part 192, § 192.467(a).

Time-Dependent Threats: External Corrosion - CP Monitoring (TD.CPMONITOR)

Question Title, ID	Cathodic Protection Monitoring, TD.CPMONITOR.MONITORCRITERIA.O
Question	2. Are methods used for taking CP monitoring readings that allow for the application of appropriate CP monitoring criteria?
References	192.465(a) (192.463(a))
Assets Covered	T: Coastal (87055 (52)), T: Basin (87054 (51))
Issue Summary	During the field inspection, SED observed the following conditions: <ul style="list-style-type: none">• ETS at T: Coastal, OM 3383 – SoCalGas Field Technician conducted pipe-to-soil (CP) read (inlet read) and found it to be -634mV. In addition, he tested the insulating device and found it to be shorted.• ETS at T: Basin, OM 1550 – SoCalGas Field Technician tested the insulating device upstream and downstream of demarcation flange, at the producer side of the plant, and found the CP read to be -534mV, and showed infinite resistance across the flange. In addition, SoCalGas Field

Technician took another CP read at a different location and found it to be -531mv. According to SoCalGas representative, the low CP read was contributed to a stray current that may be occurring and the shorted insulating device on the filter/seperator from underground piping.

- ETS at T: Basin, OM 5450X – SoCalGas Field Technician tested the insulating device between the producer piping and SoCalGas piping and found it to be shorted (CP read on both sides was the same -585mV (i.e., facilities are not electrically isolated, or metal platform facility was built on was not electrically isolated).

Title 49 CFR Part 192, §192.463 (a) states, “*Each cathodic protection system required by this subpart must provide a level of cathodic protection that complies with one or more of the applicable criteria contained in appendix D of this part. If none of these criteria is applicable, the cathodic protection system must provide a level of cathodic protection at least equal to that provided by compliance with one or more of these criteria.*”

SED is concerned with the low CP reads observed at the locations noted above and requests that SoCalGas take the appropriate corrective actions to ensure that the CP criteria complies with Title 49 CFR, Part 192, §192.463(a) and the criteria provided in 49 CFR, Part 192, Appendix D.

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