

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



May 13, 2022

GI-2021-10-SDG-45-02ABC

Mr. Rodger Schwecke,
Senior Vice President and Chief Infrastructure Officer
San Diego Gas and Electric 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 reviewed Sand Diego Gas and Electric Company's (SDG&E) response letter to SED's Gas Standards and Procedures Inspection letter dated March 18, 2022, that addressed six areas of concern identified during **General Order (G.O.) 112-F Compliance Inspection of San Diego Gas and Electric Company's Borrego Springs Liquid Natural Gas Facility** conducted on October 26-28, 2021.

SDG&E responded satisfactorily to five of the six concerns before the initial Inspection letter was mailed to SDG&E. Attached is a summary of the remaining inspection finding, SDG&E's responses to SED's finding, and SED's evaluation of SDG&E's responses to the finding.

This letter serves as an official closure of the 2021 Borrego Springs Liquid Natural Gas Facility Inspection. Any matters that are being considered for enforcement will be processed through the Commission's Citation Program or a formal proceeding.

Thank you for your cooperation in this inspection. If you have any questions, please contact Michelle Wei, at (213) 620-2780 or by email: miw@cpuc.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "ME", written over a circular stamp or mark.

Matthewson Epuna
Program & Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

CC: Michelle Wei, SED/GSRB
Alex Hughes, SoCalGas
Kan Wai Tong, SED/GSRB
Claudia Almengor, SED/GSRB

Summary of Inspection Findings

Date of Transmittal: 11/30/2021

Dates of Inspection: October 26-28, 2021

Operator: SAN DIEGO GAS & ELECTRIC CO

Operator ID: 18112 (primary)

Inspection Systems: Borrego Springs LNG and Roadrunner Springs MHP

Assets (Unit IDs) with results in this report: Borrego Springs LNG (87076)

System Type: LNG

Inspection Name: 2021 Borrego Springs LNG

Lead Inspector: Michelle Wei

Operator Representative: Austin Walker

Unsatisfactory Results

No Preliminary Findings.

Concerns

Records : Operating (PRR.OPS)

Question 10. Do records show that LNG transfers were conducted in accordance with requirements?

References 193.2513(a) (193.2513(b))

Assets Covered Borrego Springs LNG (87076 (45))

Issue Summary During the 2018 inspection SED recommended that the transfer and fill forms be updated to include a summary of the necessary steps taken to help ensure that employees were verifying that each step of the process was followed. SDG&E created these new forms and submitted them for review in 2018 and SED approved them. However upon reviewing the 2018-2020 records during this inspections SED noted that SDG&E was not using the new forms. SED is concerned that SDG&E is not using the improved forms.

During the audit, SDG&E stated that the intention was to transfer these forms to a virtual format. On December 1, 2021 SDG&E provided a copy of the planned virtual forms that are similar to the new forms. SED agreed that the virtual forms, as shown would meet the intent of the original recommendation. However, SED would still like SDG&E to respond and explain its rationale for using the old forms and the timeline for switching to the virtual ones.

SDG&E Response and Actions:

Response:

SDG&E agrees with SED's findings that we did not use the new transfer and fill forms consistently since the updated version was created post audit in 2018. There were different versions of those forms available to the field personnel and the need to use updated forms were inconsistently communicated to technicians.

Actions:

A new management process has been implemented to ensure all future updates to forms are communicated efficiently. SDG&E converted the SED agreed version of the forms to a digital format accessible from a mobile application and started using the virtual forms exclusively in January of 2021. Technicians performing these activities at Borrego were trained to use the mobile application and are instructed to only use the virtual version of the updated forms. Beginning January 2021, Supervision is only accepting electronic versions of SED-approved forms for review and will no longer accept paper versions.

SED's Conclusion:

SED has reviewed SDG&E's response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.