

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 14, 2021

GI-2021-02-SCG-58-02ABC

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 reviewed Southern California Gas Company's (SoCalGas) Gas Standards and Procedures response letter dated July 9, 2021, that addressed one (1) violation and six (6) areas of concern identified during **General Order (G.O.)112-F Comprehensive Operation and Maintenance Inspection of Southern California Gas Company (SoCalGas)'s San Gabriel Valley Distribution Area** (Inspection Unit) on February 22 through March 5, 2021 for calendar years 2017 through 2020.

Attached is a summary of SED's inspection findings, SoCalGas' responses to SED's findings, and SED's evaluation of SoCalGas' responses to the findings.

This letter serves as official closure of the 2021 Comprehensive Operation and Maintenance Inspection of Southern California Gas Company (SoCalGas)'s San Gabriel Valley Distribution Area. 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 Gordon Kuo, Utilities Engineer, at (213) 618-5263 or by email at GK2@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mahmoud Intably".

Mahmoud Intably, P.E.
Program and Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

Attachment

cc: See next page

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Post-Inspection Written Preliminary Findings

Date of Transmittal: 04/13/2021

Dates of Inspection: 2/22/21 – 2/26/21, 3/1/21 – 3/5/21

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Inspection Systems: 87041 (58)

Assets (Unit IDs) with results in this report: Southeast - San Gabriel Valley (87041)

System Type: GD

Inspection Name: 2021 SCG San Gabriel Valley Distribution

Lead Inspector: Gordon Kuo

Operator Representative: Gordon Kuo, Gordon Huang

Unsatisfactory Results

Records: Operations And Maintenance (PRR.OM)

Question 24. Do records indicate proper inspection of each distribution system valve that might be required in an emergency at intervals not exceeding 15 months, but at least once each calendar year, and prompt remedial action to correct any valve found inoperable?

References 192.603(b) (192.747(a), 192.747(b))

Assets Covered Southeast - San Gabriel Valley (87041 (58))

Issue Summary During records review, SED found that the Valve 31-08-C-1 was not inspected between 6/1/2017 and 6/1/2019 which created a 24-month time gap between the last two inspections. Since the inspection interval of this valve exceeds 15 months, SED finds SoCalGas in violation of Part 192, §192.747(a).

SoCalGas' Response 1:

Valve 31-08-C-1 was inspected during its annual inspection on 07/27/2017 and was found Hard to Operate. Per Gas Standard 184.16 / *Valve Inspection and Maintenance – Distribution* Section 4.6 / Hard to Operate Valves, a 3-month inspection was scheduled. However, the subsequent inspection was cancelled on 10/29/2017 due to fact that the valve had been replaced on 10/5/2017 under SAP Notification 2040540470.

SED's Response 1:

SED had incorrectly typed the valve number in the original letter. The correct valve number should be Valve 31-08-B-1, which was not inspected between 6/1/2017 and 6/1/2019 which created a 24-month time gap between the last two inspections. Since the inspection interval of this valve exceeds 15 months, SED finds SoCalGas in violation of Part 192, §192.747(a).

SoCalGas Response 2:

Valve 31-08-B-1 was actually inspected on 8/3/2017 and 8/14/2019, with satisfactory results. SoCalGas has reviewed the SAP action logs for Valve 31-08-B-1 and found the valve had been de-activated on 4/23/2018 by an employee in Work Management Field Technologies (WFMT). This action cancelled the 2018 valve inspection. Although the valve was re-activated in the system same day, the 2018 valve inspection work order was not automatically recreated, causing the missed inspection. The 2019 valve inspection showed the valve as operating satisfactorily.

SoCalGas Corrective Actions:

SoCalGas is currently in the process of creating an exception report to identify any valve asset changes that could result in cancelled inspection orders. Responsible stakeholders will investigate and recreate the applicable compliance order(s) if needed.

SED's Conclusion 2:

SED has reviewed SoCalGas's response and accepts the proposed corrective actions. SED acknowledges that the proposed corrective action measures will promote and foster strong safety culture, and sufficiently address the probable violation. SED recommends no fine or penalty be imposed at this time. However, SED may review the implementation of the stated corrective actions during future inspections.

Concerns

Records: Corrosion Control (PRR.CORROSION)

Question 5. Do records adequately document cathodic protection monitoring tests have occurred as required?

References 192.491(c) (192.465(a))

Assets Covered Southeast - San Gabriel Valley (87041 (58))

Issue Summary During records review, SED found that the CP10 WO#520002592078 with Service ID 02785338 executed on 2/11/2021, the 'As Found' and 'As Left' reads for the section of pipeline were both $-.87$ volts. The condition was noted as 'CP10 Read Up'. SoCalGas' Gas Standard 186.0005 Cathodic Protection – Mixed Piping System, §5.3.2.1 states:

"Any facility found during routine CP10 monitoring shall require remediation if the pipe to soil measurement is below -0.900 Volts DC, in order to prevent possible loss of protection for the facility during the 10-year monitoring interval. The required remediation action shall be completed."

However, SoCalGas considered the $-.87$ V adequate and did not remediate the conditions under WO# 520002592078.

SED requests that SoCalGas confirm the 'As Left' read value and explain why no remediation was performed on this CP10 location.

SoCalGas' Response:

SED identified this issue on 3/5/2021 and SoCalGas sent a System Protection Specialist (SPS) to investigate on 3/10/2021. The SPS found the read at $-.840$ V and installed a 1# anode which

brought the read into tolerance at -1.110V. This remediation effort was completed within the remediation timeline per Gas Standard 186.0135 / *Operation and Maintenance of Cathodic Protection Facilities*.

SoCalGas Corrective Actions:

SoCalGas recognizes the need to continuously develop automation tools for generation of follow-up/remediation work orders and to develop reports to help identify operating discrepancies. SoCalGas is currently working on upgrading the system to auto-generate the follow-up/remediation order to address the new -.900V tolerance being used for CP10s. Until the system is updated, a report has been created and will be run monthly to identify and address CP10 reads with an "as-left" tolerance between -.850 and -.900 volts. In addition, an "all-hands" meeting will be held with all SE and NW Region System Protection Field personnel to review Gas Standard 186.0135 / *Operation and Maintenance of Cathodic Protection Facilities*.

SED's Conclusion:

SED has reviewed SoCalGas' 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.

Records: Operations And Maintenance (PRR.OM)

Question 2. Are construction records, maps and operating history available to appropriate operating personnel?

References 192.605(a) (192.605(b)(3))

Assets Covered Southeast - San Gabriel Valley (87041 (58))

Issue Summary During the field inspection on February 26, 2021, SED observed SoCalGas crews performing a valve inspection on a gate valve, Valve #31036. SED found that SoCalGas' SAP records stated the incorrect number of turns in order to fully close the valve. Even though a routine valve inspection does not require the full operation, the correct operation information, e.g. number of turns to close a valve, needs to be stated in SoCalGas' SAP records and provided to the crew to confirm the full operation in case of emergency.

SED recommends that SoCalGas review its SAP records to ensure that the correct number of turns is recorded for its gate valve and provided to its crews at the work locations.

SoCalGas Response:

According to audit records, the valve referenced above was valve #310386. Based on the information in the system, the crew had the available information to complete the order per Gas Standard 184.16 / *Valve Inspection and Maintenance - Distribution*. Full valve operation is not conducted during the inspection. Thus, SoCalGas contends the number of turns needed to fully operate a valve is not required to complete the inspection. In the event that a valve would need to be fully operated, the number of turns would be captured by the crew and documented. Nevertheless, SoCalGas agrees with SED's observation regarding the information in SAP.

SoCalGas Corrective Actions:

The correct number of turns for this valve has been updated in SAP as noted in correspondence with SED on 03-04-21. SoCalGas continues to update asset information when discrepancies are identified, or new information becomes available.

SED's Conclusion:

SED has reviewed SoCalGas' 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.

Pipeline Field Inspection: Pipeline Inspection (Field) (FR.FIELDPIPE)

Question 4. Are meters and service regulators being located consistent with the requirements of 192.353?

References 192.351 (192.353(a), 192.353(b), 192.353(c), 192.353(d))

Assets Covered Southeast - San Gabriel Valley (87041 (58))

Issue Summary During the field inspection in Pasadena district on 2/25/2021 SED observed four locations where vehicular damage to the meter and/or service regulated may be anticipated. SoCalGas stated that they have identified the condition and have queued the affected MSAs for remediation per their response to SED's data request received on March 4, 2021.

SED acknowledges SoCalGas is addressing those MSA protection deficiencies at this time. However, SED requests a follow up regarding SoCalGas' remediation efforts.

<u>Address</u>	<u>Condition</u>
████ Morningside St, Pasadena	Guardrail
████ Morningside St, Pasadena	Guardrail
████ Morningside St, Pasadena	Guardrail
████ Morningside St, Pasadena	Guardrail

SoCalGas Response:

SoCalGas agrees with the SED's observation and scheduled the installation of residential meter guards at the identified addresses.

SoCalGas Corrective Actions:

SoCalGas installed residential meter guards at all four addresses to complete the remediation of the MSA protection and provided photos. No further actions required.

<u>Location</u>	<u>SAP Notification/Work Order</u>	<u>Date Completed</u>
████ Morningside St, Pasadena	540000451545-0006	5/7/2021
████ Morningside St, Pasadena	540000451603-0006	5/7/2021
████ Morningside St, Pasadena	540000451627-0006	5/7/2021
████ Morningside St, Pasadena	540000451572-0006	5/7/2021

SED's Conclusion:

SED has reviewed SoCalGas' 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.

Question 6. Are meters and service regulators being installed consistent with the requirements of 192.357?

References 192.351 (192.357(a), 192.357(b), 192.357(c), 192.357(d))

Assets Covered Southeast - San Gabriel Valley (87041 (58))

Issue Summary During the field inspection on 2/25/2021, SED observed a gas meter at the address of █████ Melville Dr. Pasadena with a relieving regulator in an enclosed space was not vented directly to the outside through piping, e.g. regulator not venting out of crawl space. SoCalGas has acknowledged this item is currently being looked at for remediation.

SED requests that SoCalGas provide an update regarding the remediation efforts for that item.

SoCalGas Response:

SoCalGas agrees with the SED's observation of the improper vented regulator.

SoCalGas Corrective Actions:

SoCalGas mitigated the issue of the improper vented regulator and completed the work on March 4, 2021, by installing a slam-shut regulator and a photo was provided. No further action required.

SED's Conclusion:

SED has reviewed SoCalGas' 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.

Question 25. Is pipe that is exposed to atmospheric corrosion protected?

References 192.481(b) (192.481(c), 192.479(a), 192.479(b), 192.479(c))

Assets Covered Southeast - San Gabriel Valley (87041 (58))

Issue Summary During the bridge and span inspection of bridge B1075 in Alhambra district on March 4, 2021, SED observed that B1075 was not wrapped and was experiencing light atmospheric corrosion on both the northern and southern ends.

SED recommends SoCalGas to take a remedial action to address SED's finding.

SoCalGas Response:

SoCalGas agrees with the SED's observation and is taking remedial actions.

SoCalGas Corrective Actions:

SoCalGas has created SAP Order 520002609884 to paint B1075. SoCalGas is awaiting the permit from Los Angeles County Flood Control to gain access to remediate the issue. SoCalGas will provide SED with completion dates and photographs when complete.

SED's Conclusion:

SED has reviewed SoCalGas' 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.

Question 31. Are line markers placed and maintained as required?

References 192.707(a) (192.707(b), 192.707(d), CGA Best Practices, v4.0, Practice 2-5, CGA Best Practices, v4.0, Practice 4-20)

Assets Covered Southeast - San Gabriel Valley (87041 (58))

Issue Summary During the bridge and span inspection of B2722 and B2722-A in Pomona on March 4, 2021, SED observed that the pipeline marker pucks on the west end of the railroad grade separation were found to be either taped or painted over, rendering the marker information illegible. Per SoCalGas LCT, the City of Industry district will follow-up on remediating the marker pucks. SED also observed the LCT enter its remediation as an "action required" item into the work order for B2722 (520002507834).

SED requests a status update and photo confirmation showing the remediations of the line marker issues for both above ground pipelines, B2722 and B2722-A (WO# 520002507836).

SoCalGas Response:

SoCalGas agrees with the SED's observation.

SoCalGas Corrective Actions:

Two pipeline marker pucks at the bridge and span crossings B2722 and B2722-A have been replaced. The remediation is complete and SoCalGas provided photo confirmation of the line marker pucks. No further actions required.

SED's Conclusion:

SED has reviewed SoCalGas' 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.