

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 6, 2020

Mr. Jerry Schmitz, Vice President
Southwest Gas Corporation
P.O. Box 98510, LVA-581
Las Vegas, NV 89193-8510

SUBJECT: Closure letter for Notice of Probable Violations for Non-DOT (NOPV Non-DOT) Reportable incidents issued during the period of First Quarter of 2019 - Q1.

Dear Mr. Schmitz,

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (Commission) has reviewed Southwest Gas's (SWG) responses of February 11, 2020 to the Notice of Probable Violation forwarded to SWG on January 14, 2020 for incidents that occurred during the first quarter, Q1, of 2019.

A summary of findings documented by SED, SWG's responses to SED's findings, and SED's evaluation and conclusion of SWG's responses taken for each finding is attached with this letter.

This letter serves as an official closure of the **2019 Q1 Non-DOT NOPV** letter for incidents G20180928-2682 in South Lake Tahoe, and any matters that are being recommended for enforcement will be processed through the Commission's Citation program or a formal proceeding. Pursuant to Commission Decision 16-09-055, SED has the authority to issue citations for each violation found.

If you have any questions, please contact Mohammad Ali at (916) 928-2109 or by email at ma5@cpuc.ca.gov.

Sincerely,

Dennis Lee, P.E.
Program and Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

CC: Laurie Brown / SWG
Mohammad Ali / SED-GSRB
Terence Eng / SED-GSRB

SUMMARY OF INVESTIGATION FINDINGS

SED Findings: SED identified 1 probable violation as described below:

- I. In the NOPV letter dated 1/14/2020, one violation SED found was that SWG violated 49 CFR §192.605(b)(1) as shown below:

Title 49 Code of Federal Regulations (CFR) §192.605(b)(1) states in part:

“(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.”

“(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and subpart M of this part.”

A SWG contractor performing a 2 inch Aldyl-A gas main replacement work on 9/28/2018 incorrectly thought that the mains were two-way fed and did not tie in to remaining one-way line resulting in an outage for 8 hours and affected 88 customers.

SED found SWG in violation of 49 CFR §192.605(b)(1) for failure to follow SWG’s Main and Service Installation procedure as detailed in drawing # 16_3535360.

SWG’s Response

SWG acknowledged that SWG contractor did not follow the Company’s main and service installation procedure.

This incident occurred during the installation of a new 2-inch PE main between [REDACTED] Chippewa and the intersection of Chippewa and Pawnee. The was two-way fed and failed to contact the Company for flow verification prior to removing the bypass equipment. As such, the crew did not tie-in to the remaining one-way line, resulting in the under-pressure event and customer outage.

As the Company noted in its 30-day Follow-up Report (PHMSA Form 7100.1), two contractors and one Company employee were disqualified and retrained as a result of this incident. Further, in an effort to reduce the likelihood of future incidents of this nature, Southwest Gas reviewed its Operations Manual and developed a specific Pipeline Bypass Operation procedure. This new procedure was included in the Company's September 2019 Operations Manual release.

SED’s Conclusion:

Upon review of SWG’s response, SED agrees that SWG adopted the corrective actions by disqualifying, retraining and developing a specific Pipeline Bypass Operations Procedure to prevent future occurrence.

SED has opted not to impose a fine or penalty at this time