



**Public Utilities Commission**  
**STATE OF CALIFORNIA**

**Citation Date:** December 12, 2018  
**Citation #:** D.16-09-55 G.18-12-001  
**Operator ID#:** 18484

**CITATION**  
**ISSUED PURSUANT TO DECISION 16-09-055**

**Gas Corporation (Operator) To Which Citation is issued:** Southern California Gas Company (SoCalGas)

**OFFICER OF THE RESPONDENT:**

Mr. Jimmy Cho, Senior Vice President  
Gas Operations and System Integrity  
Southern California Gas Company  
555 West 5th Street, GT21C3  
Los Angeles, CA 90013

**CITATION:**

Operator is cited a financial penalty amount of \$150,000.00 for violating General Order (G.O.) 112-F which incorporates by reference Title 49 Code of Federal Regulations (CFR) Part 191. Safety and Enforcement Division (SED) found these violations as a result of SED's incident investigation of NRC# 1231360 for the incident occurring on 11/24/18 at 493 Lemar Ave., Oxnard CA 93036.

**VIOLATIONS:**

49 CFR §191.5, General, states in part:

*(a) At the earliest practicable moment following discovery, but no later than one hour after confirmed discovery, each operator must give notice in accordance with paragraph (b) of this section of each incident as defined in § 191.3.*

*(b) Each notice required by paragraph (a) of this section must be made to the National Response Center either by telephone to 800-424-8802 (in Washington, DC, 202 267-2675) or electronically at <http://www.nrc.uscg.mil> and must include the following information:*

*(1) Names of operator and person making report and their telephone numbers.*

*(2) The location of the incident.*

*(3) The time of the incident.*

*(4) The number of fatalities and personal injuries, if any.*

*(5) All other significant facts that are known by the operator that are relevant to the cause of the incident or extent of the damages.*



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*(c) Within 48 hours after the confirmed discovery of an incident, to the extent practicable, an operator must revise or confirm its initial telephonic notice required in paragraph (b) of this section with an estimate of the amount of product released, an estimate of the number of fatalities and injuries, and all other significant facts that are known by the operator that are relevant to the cause of the incident or extent of the damages. If there are no changes or revisions to the initial report, the operator must confirm the estimates in its initial report.*

SED reviewed the evidence and determined that SoCal Gas had sufficient knowledge and confirmation of their gas involvement on 11/24/18 but did not give required notice to SED or the National Response Center notice until Monday 11/26/18 (National Response Center Incident Report # 1231360). Therefore, SED finds SoCalGas in violation of CPUC General Order 112-F, 49 CFR §191.5(a).

### **PENALTY:**

SED assesses a penalty of \$150,000 for this violation.

### **Total Penalty Amount**

*As a result of the violation determined by SED and identified in this report, the total amount of this citation is \$150,000.*

### **STATEMENT OF FACTS AND ENCLOSURES:**

The following enclosures were used to establish the findings of fact:

- 1- Enclosure 1 – National Response Center Incident Report # 1231360
- 2- Enclosure 2 – Field Investigation notes by Kenneth Bruno 11/27/18
- 3- Enclosure 3 – SoCal Gas's 12/3/18 response to SED Data Request on 12/1/18
- 4- Enclosure 4 – SoCal Gas's Self Report filed with SED on 12/4/18



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### SED CITATION ANALYSIS

Element	Staff Finding
Number of violation(s) and duration of violation(s)	<i>One (1) violation of Title 49 CFR Part 191, Section §191.5. The violation occurred on November 26, 2018</i>
Severity or gravity of the offense	<i>The proper recognition of a release of natural gas in a fire and explosion incident is critical to providing safe natural gas to customers. As a result of the leak that is potential cause of the fire and subsequent explosion, three customers were injured inside the house and were taken to the hospital. Total damage was estimated to exceed \$50,000. This violation resulted in a fine amount of \$150,000</i>
Conduct of the utility	<i>The utility is being cooperative</i>
Self-reporting of the violation	<i>SoCalGas filed self-report on December 04, 2018 after violations found as a result of SED's 2018 incident investigation</i>
Financial resources of the utility	<i>21 Million Customers, 2.5 Billion Revenue requirement</i>
The totality of the circumstances	<i>SoCalGas failed to give immediate notice of the incident in accordance with the federal code and/or its own procedures. The incident involved fire and an explosion which resulted in three injuries and property damage</i>
The role of precedent	<i>N/A</i>
<b>Resultant Citation Taking All Of These Factors Into Account</b>	<b>\$150,000.00</b>



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### **RESPONSE:**

Respondent is hereby called upon to provide a response to this Citation by: **5:00 PM on January 11, 2019**. By way of such response, Respondent, **within 30 calendar days**, must either pay the amount of the penalty set forth in this citation<sup>1</sup>, or appeal<sup>2</sup> the citation. In addition, Respondent must do one of the following:

- (1) For violations constituting immediate safety hazards: Respondent must immediately correct the immediate safety hazards.
- (2) For violations that do not constitute immediate safety hazards: Violations that do not constitute immediate safety hazards must be corrected within 30 days after the citation is served. If said violations that do not constitute immediate safety hazards cannot be corrected within 30 days, then the Respondent must submit a detailed Compliance Plan to the Director of SED within 30 days after the citation issues, unless the utility and the Director of SED, before the expiration of the 30 day period, agree in writing to another date, reflecting the soonest that the Respondent can correct the violations. The Compliance Plan must provide a detailed description of when the violation will be corrected, the methodology to be utilized, and a statement supported by an declaration from Respondent's Chief Executive Officer or appropriate designee (CEO Declaration) stating that in the Respondent's best judgment, the time that will be taken to correct the violation will not affect the safety or integrity of the operating system or endanger public safety.

**Note:** Respondent will forfeit the right to appeal the citation by failing to do one of these two options outlined in the Response above within 30 days. Payment of a citation or filing a Notice of Appeal does not excuse Respondent from curing the violation. The amount of the penalty may continue to accrue until a Notice of Appeal is filed. Penalties are stayed during the appeal process. A late payment will be subject to a penalty of 10% per year, compounded daily and to be assessed beginning the calendar day following the payment-due date. The Commission may take additional action to recover any unpaid fine and ensure compliance with applicable statutes and Commission orders.

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<sup>1</sup> For fines paid pursuant to Pub. Util. Code § 2107 and D.16-09-055 Respondent shall submit a check payable to California Public Utilities Commission using the attached Citation Payment Form. Upon payment, the fine will be deposited in the State Treasury to the credit of the General Fund and this citation will become final.

<sup>2</sup> Respondent may Appeal this citation by completing and submitting a Notice of Appeal Form. Please see the attached document, "Directions For Submitting An Appeal To A Citation Issued Pursuant To Decision 16-09-055" for information on the appeals process and the attached "Notice of Appeal Of Citation Form."



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**NOTIFICATION TO PUBLIC AGENCIES:**

As soon as is reasonable and necessary, and no later than 30 calendar days after service of the citation is effected, Respondent must provide a notification to the Chief Administrative Officer or similar local agency authority in the city and county where the violation occurred. Within 10 days of providing such notification, Respondent must serve an affidavit to the Director of SED, at the mail or e-mail address noted below, attesting that the local authorities have been notified; the date(s) for when notification was provided; and the name(s) and contact information for each local authority so notified.

The CPUC expects the Operator to take actions, as soon as feasible, to correct, mitigate, or otherwise make safe all violations noted on the Citation regardless of the Operator's intentions to accept or appeal the violation(s) noted in the Citation.

A handwritten signature in blue ink, appearing to read "Lee Palmer", written over a horizontal line.

**Lee Palmer**  
Deputy Director – Safety and Enforcement Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102  
[Leslie.Palmer@cpuc.ca.gov](mailto:Leslie.Palmer@cpuc.ca.gov)



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**CITATION PAYMENT FORM**

I (we) \_\_\_\_\_ hereby agree to comply with this citation dated \_\_\_\_\_, and have corrected/mitigated the violation(s) noted in the citation on \_\_\_\_\_ and no later than \_\_\_\_\_, all work to make permanent corrections to any mitigated, or otherwise remaining concerns related to the violation(s) will be completed as noted in the Compliance Plan we have submitted to the Director of SED and, herewith, pay a fine in the amount of \$ \_\_\_\_\_ as included in the citation.

Signature of Gas Corporation's Treasurer,  
Chief Financial Officer, or President/Chief Executive  
Officer, or delegated Officer thereof

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_

(Printed Name and Title)

Payment must be with a check made payable to the **California Public Utilities Commission** and sent to the below address. Please include the citation number on the memorandum line of the check to ensure your payment is properly applied.

**California Public Utilities Commission**  
**Attn: Fiscal Office**  
**505 Van Ness Avenue**  
**San Francisco, CA 94102-3298**

NOTE: A copy of the completed Citation Payment Form must be sent to the Director of the Safety and Enforcement Division, via email or regular mail, to the address provided on the Citation.



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**DIRECTIONS FOR SUBMITTING AN APPEAL TO A CITATION  
ISSUED PURSUANT TO DECISION 16-09-055**

Within 30 calendar days of the Respondent being served with a **CITATION ISSUED PURSUANT TO DECISION 16-09-055**, Respondent may appeal the citation. Beyond 30 calendar days of being served with the citation, Respondent is in default and, as a result, is considered as having forfeited rights to appeal the citation. The Respondent must still correct the violation(s) as instructed in the Response section of this citation.

To appeal the citation, Respondent/Appellant must file a Notice of Appeal (including a completed title page complying with Rule 1.6 of the Commission's Rules of Practice and Procedure, and attached Notice of Appeal Form) along with copies of any materials the Appellant wants to provide in support of its appeal with the Commission's Docket Office **and** must serve the Notice of Appeal, at a minimum, on

- 1) The Chief Administrative Law Judge (with an electronic copy to: ALJ\_Div\_Appeals\_Coordinator@cpuc.ca.gov),
- 2) The Director of Safety and Enforcement Division
- 3) The Executive Director
- 4) General Counsel
- 5) The Director of the Office of Ratepayer Advocates

At the address listed below within 30 calendar days of the date on which the Appellant is served the Citation. The Appellant must file a proof of service to this effect at the same time the Appellant files the Notice of Appeal. The Notice of Appeal must at a minimum state: (a) the date of the citation that is appealed; and (b) the rationale for the appeal with specificity on all grounds for the appeal of the citation.

**California Public Utilities Commission**  
**505 Van Ness Ave**  
**San Francisco, CA 94102**  
**Attn: <Insert Title>**

**NOTE:** Submission of a *Notice of Appeal Form* in no way diminishes Appellant's responsibility for correcting the violation described in the citation, or otherwise ensuring the safety of facilities or conditions that underlie the violations noted in the Citation.

Ex Parte Communications, as defined by Rule 8.1(c) of the Commission's Rules of Practice and Procedure, are prohibited from the date the citation is issued through the date a final order is issued on the citation appeal.



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After receipt of the Appellant's *Notice of Appeal Form*, Appellant has a right to a hearing to be convened before an Administrative Law Judge. At least ten business days before the date of the hearing, the Appellant will be notified and provided with the location, date, and time for the hearing. At the hearing,

- (a) Appellant may be represented by an attorney or other representative, but any such representation shall be at the sole expense of the Appellant;
- (b) Appellant may request a transcript of the hearing, but must pay for the cost of the transcript in accordance with the Commission's usual procedures;
- (c) Appellant is entitled to the services of an interpreter at the Commission's expense upon written request to the Chief Administrative Law Judge not less than five business days prior to the date of the hearing;
- (d) Appellant is entitled to a copy of or electronic reference to Resolution ALJ-299 Establishing Pilot Program Citation Appeal and General Order 156 Appellate Rules (Citation Appellate Rules); and
- (e) Appellant may bring documents to offer in evidence (Rule 13.6 (Evidence) of the Commission's Rules of Practice and Procedure applies) and/or call witnesses to testify on Appellant's behalf. At the Commission's discretion, the hearing in regard to the Appellant's appeal can be held in a CPUC hearing room at either of the following locations:

**San Francisco:**

505 Van Ness Avenue  
San Francisco, CA 94102

**Los Angeles:**

320 West 4<sup>th</sup> Street, Suite 500  
Los Angeles, CA 90013

The hearing(s) held in regard to the Appellant's appeal will be adjudicated in conformance with all applicable Public Utilities Code requirements.





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### Notice of Appeal Form

#### Appeal from Citation Issued by Safety and Enforcement Division

#### Pursuant to Decision 16-09-055

#### Appellant:

Mr. Jimmy Cho, Senior Vice President  
Gas Operations and System Integrity  
Southern California Gas Company  
555 West 5th Street, GT21C3  
Los Angeles, CA 90013

Citation Date: December 12, 2018  
Citation #: D.16-09-055 G.18-12-001  
Operator ID#: 18484  
Appeal Date: \_\_\_\_\_

“Appeal of \_\_\_\_\_ from \_\_\_\_\_ issued by Safety and  
[Operator Name] [Citation Number]  
Enforcement Division”

Statements supporting Appellant’s Appeal of Citation (You may use additional pages if needed and/or attach copies of supporting materials along with this form).



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**Enclosures to Accompany Utility Appeal**

*Utility to add Enclosures as appropriate*