

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



May 28, 2021

GI-2021-04-SCG-43-15

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)'s Aliso Canyon Natural Gas Storage Field** Aliso Canyon (Inspection Unit) on April 5 through April 9 of 2021 for calendar years 2018 through 2020. SED conducted records review and field inspection of pipeline facilities in the Aliso Canyon area within the Inspection Unit.

SED's staff identified one (1) violation of G.O. 112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192, and noted four (4) 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 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, appearing to read "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

Date of Briefing: 04/09/2021

Dates of Inspection: April 5-9, 2021

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Assets (Unit IDs) with results in this report: Aliso Canyon - Storage Facility (87036)

System Type: GT

Inspection Name: 2021 CPUC - SoCalGas - Aliso Canyon NGSF

Lead Inspector: Randy Holter

Operator Representative: Alex Hughes, Linda Hoang

Violations

1. Facilities and Storage: Facilities General

Question Title: Vault Maintenance

Question: Are inspections of selected vaults with internal volume 200 cubic feet housing pressure regulating/limiting equipment adequate?

References: 192.749(a)(d)

Assets Covered: Aliso Canyon - Storage Facility (87036 (43))

Issue Summary: During the field inspection of Aliso Canyon facilities, SED observed that vault #5025-C-1 did not have fall protection system such as vault cover or guardrail to assure that the vault condition does not present a safety hazard to SoCalGas' employees and the public.

49 CFR §192.749 Vault Maintenance, Item (d) states:

"Each vault cover must be inspected to assure that it does not present a hazard to public safety".

SED finds SoCalGas in violation of G.O. 112-F, Reference Title 49 CFR, Part 192, §192.749(d) for failing to adequately protect its employees and the public from the potential safety hazard of falling into a vault and failing to provide an appropriate protection system to prevent such an occurrence.

Concerns

1. Facilities and Storage: Compressor Station System Protection

Question Title: Compressor Station Design/Construction – ESD

Question: Does each compressor station have an emergency shutdown system that is capable of shutting down gas compressing equipment and gas fires in the vicinity of gas headers and compressor buildings?

References: 192.167(a)(3)

Assets Covered: Aliso Canyon - Storage Facility (87036 (43))

Issue Summary: During the field inspection of Aliso Canyon Compressor Station, SoCalGas' representatives were not able to demonstrate that the emergency shutdown system is capable of shutting down gas compressing equipment and gas fires in the vicinity of gas headers and compressor buildings.

49 CFR 192.167(a)(3) states:

"It must provide means for the shutdown of gas compressing equipment, gas fires, and electrical facilities in the vicinity of gas headers and in the compressor building, except that:

(i) Electrical circuits that supply emergency lighting required to assist station personnel in evacuating the compressor building and the area in the vicinity of the gas headers must remain energized; and

(ii) Electrical circuits needed to protect equipment from damage may remain energized."

SED requests that SoCalGas provide inspection records showing that the Aliso Compressor Station emergency system meets the minimum requirements set forth in 49 CFR §192.167(a)(3).

2. Facilities and Storage: Compressor Stations

Question Title: Compressor Station Design/Construction - NFPA 70

Question: Does the equipment and wiring within compressor stations conform to National Electric Code, ANSI/NFPA 70, including the required posting or ready access of the permit?

References: 192.163(e)

Assets Covered: Aliso Canyon - Storage Facility (87036 (43))

Issue Summary: During SED's review of Aliso Canyon Compressor Station design and construction records, SoCalGas was not able to provide the necessary records to demonstrate compliance with National Electric Code, ANSI/NFPA 70, including the required posting or ready access of the permit:

1. *NFPA 70 - Annex H (Administration and Enforcement), Section 80.19(A)(2) states "A copy of the permit shall be posted or otherwise readily accessible at each work site or carried by the permit holder as specified by the authority having jurisdiction."]*
 - a. *Verify by review of the permit that the permit bears the name and signature of the authority having jurisdiction.*
 - b. *Verify by review of the permit that the permit indicates the following:*
 - i. *Operation or activities for which the permit is issued,*
 - ii. *Address or location where the operation or activity is to be conducted,*
 - iii. *Name and address of the permittee,*
 - iv. *Permit number and date of issuance,*
 - v. *Period of validity of the permit,*
 - vi. *Inspection requirements.*

SED requests that SoCalGas provide the Aliso Canyon Compressor Station design and construction records indicating that the equipment and wiring within the station conform to National Electric Code, ANSI/NFPA 70, including the required posting or ready access of the permit.

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

Question Title: Atmospheric Corrosion Monitoring

Question: 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: Aliso Canyon - Storage Facility (87036 (43))

Issue Summary: During the field inspection of Aliso Canyon Storage Facilities, SED observed that the aboveground pipelines at the following locations showed evidence of atmospheric corrosion such as rust, scale, or pitting:

1. At weld, across from the intersection of Limekiln Rd and Parkway Rd.
2. Paint chipping away at 7 O'clock position on elbow, right across from V/S C2.
3. Patrolled gas pipeline from valve station C1 to valve AC-NG-CK-006. Observed surface rust on the pipe at the weld location, across from the intersection of Limekiln Rd and Parkway Rd.
4. Stabilize liquid line banging on weld just upstream of Valve AC-NG-CK-006-causing atmospheric corrosion. [This item has been corrected, per SoCalGas, Alex Hughes email, "Aliso Canyon Storage Audit - P-45 U-bolts Installed".]
5. Clearance at 5025-C6A-C6B(-P69A) - clear out remaining fire brush at bypass line area and similar.

SED recommends SoCalGas should take the appropriate actions to address the atmospheric corrosion conditions found on its aboveground pipeline facilities.

4. Facilities and Storage: Compressor Stations

Question Title: Compressor Station Design/Construction - Exits

Question: Does each main compressor building operating floor have at least two separated, easily accessed, and unobstructed exits to a place of safety, main compressor building exits that have door latches that can be readily opened without a key, and main compressor building exit doors mounted to swing outward?

References: 192.163(c)

Assets Covered: Aliso Canyon - Storage Facility (87036 (43))

Issue Summary: During the field inspection of the Aliso Canyon Compressor Station, SED observed that the main compressor building exit doors are in various states of disrepair or not functioning as designed to provide a convenient possibility of escape and an unobstructed passage to a place of safety at the following locations:

1. West exit door at K-6 does not fully close unobstructed and appears to be missing parts and delaminating near the threshold
2. All east exit doors do not fully close unobstructed, appear to be unable to be closed without out wedging or missing parts.

To ensure that the Aliso Canyon Compressor Station building exit doors are functional and unobstructed, SoCalGas should take appropriate corrective action to demonstrate the exit doors are in good working condition.