PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



April 4, 2025

Mr. Rodger Schwecke Senior Vice President and Chief Infrastructure Officer San Diego Gas and Electric 555 West 5th Street, GT21C3 Los Angeles, CA 90013

Subject: San Diego Gas and Electric's 6-Month Assessment Extension Requests for L49-23, L2010, and L3600

Dear Mr. Schwecke:

The Safety Enforcement Division (SED) of the California Public Utilities Commission has reviewed San Diego Gas and Electric's (SDG&E) 6-Month Assessment Extension Requests for L49-23, L2010, and L3600 per Reference Title 49, Code of Federal Regulations (CFR), Part 192 Section 192.939. Each of the 3 requests were submitted via an email dated December 31, 2024, seeking a 6-month extension of the 7-calendar year reassessment interval.

SED reviewed SDG&E's justifications document for the extension requests to complete the assessment. Furthermore, SDG&E informed SED that it will implement additional safety measures such as accelerated leakage surveys and patrolling during the extension period and other risk reduction measures including pressure reduction or isolation of impacted pipeline segment if the assessment cannot be completed within the 6-month extension. See Appendix A for a summary of each line.

SED held a meeting with SDG&E on January 29, 2025, to discuss the background and the reasons for the requests. SoCalGas informed SED staff that:

- L49-23 is waiting on permits and coordination
- L2010 is waiting for a third party to complete construction work in the same area needed to do direct assessments
- L3600 changed assessment method due to the expiration of a transportation agreement

SDG&E stated that they could not have requested the permits early, because they do not know what areas will need to be evaluated until after the In-Line Inspection (ILI) and assessment of that inspection have been completed. At that point, they can determine what permitting requirements will be necessary.

SED Analysis

First, SED acknowledges SDG&E's attempt to adhere to their 7-year calendar reassessment calendar interval required by 192.939. In all 3 cases, SDG&E originally planned for their assessments to be completed within the time period.

Second, SED recognizes SDG&E's plan for additional safety measures such as accelerated leakage surveys and patrolling during the requested extension period.

Furthermore, SED acknowledges the challenge of obtaining necessary environmental permits in a timely manner, working with other excavating groups in the same area, and last-minute changing assessment methods in an attempt to meet the assessment deadline.

However, SED reviewed SDG&E's 3 requests and hereby denies SDG&E's requests to grant a formal extension request. Potential violations should be self-reported pursuant to CPUC Decision 18-05-023.

CPUC Decision 18-05-023, Appendix A, Section G states, in part:

3. Criteria for self-reporting potential violations:

a. A "potential" violation is a potential violation of GO 112-F, including the federal regulations incorporated into the program, CFR Title 49, Parts 190, 191, 192, 193, and 199 (for gas) and of GOs 95, 128, 165, 166, 174 (for electric) or other related applicable decisions, codes, or regulations; a potential violation that is voluntarily reportable is listed in Rules I.G.3.b and I.G.3.c below.

SDG&E's failure to meet the requirements of Title 49, Code of Federal Regulations (CFR) Part 192 may result in a potential violation which should be reported pursuant to CPUC Decision 18-05-023.

Conclusion:

Based on the aforementioned reason, SED does not believe granting a formal waiver (or extension) is the appropriate response to SDG&E's three requests. SDG&E should continue to implement additional safety measures such as accelerated leakage surveys and patrolling, with a goal to complete the assessment work as soon as practicable. Any failure to meet code requirements, including reassessment deadlines, should be reported through self-identified non-compliance notifications pursuant to CPUC Decision 18-05-023.

Furthermore, SDG&E should retain documentation to substantiate its rationale for not completing a reassessment before its compliance due date.

On March 21, SED notified PHMSA of its decision to deny SDG&E's extension requests. As of April 3, SED had not received any comments from PHMSA.

If you have any questions, please contact Gordon Kuo, at (213) 618-5263 or by email: gk2@cpuc.ca.gov.

Sincerely,

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Appendix A

a) <u>L49-23</u>

SDG&E has evaluated 3.8 miles of L49-23 using In-Line Inspection (ILI), Stress Corrosion Cracking Direct Assessment (SCCDA) and Direct Examination for External Corrosion (EC), Mechanical Damage (MD), and Stress Corrosion Cracking (SCC). The ILI and SCCDA have been completed, and 3 locations are left requiring direct examination. Location #1 requires additional time to coordinate pipeline retrofitting due to proximity to a sewage line. Location #2 and #3 require permits from Caltrans which are waiting for approval. The permits were requested on August 1st, 2024. The estimated start date for location 1 is January 15, 2025, while the estimated start date for Location #2 and #3 is May 15, 2025. It is anticipated that the examinations for these 3 locations will be completed by June 30, 2025. If it is determined that the assessments cannot be completed by the June 30, 2025 deadline, the pipeline will be evaluated to see what further risk reduction measures can be implemented. This will include temporary pressure reduction or shut-int/isolation of the impacted segments.

b) <u>L2010</u>

SDG&E is in the process of evaluating L2010 using External Corrosion Direct Assessment (ECDA) and SCCDA for EC, MD, and SCC. Three separate locations require environmental permits from the Army Core of Engineers, Regional Water Quality Control Board, California Department of Fish & Wildlife. The Padre Dam Municipal Water department is also performing Horizontal Directional Drilling operations directly under the proposed dig locations, which prohibit SDG&E from completing the work. The original anticipated completion date was expected to be April 2025. However, SDG&E provided an update from the Padre Dam Municipal Water stating that construction has been put on hold with a new expected completion date for their drilling activities to be in July 2025. Thus, the remaining 3 digs may need to be completed past the 6-month extension. If it is determined that the assessments cannot be completed by the June 30, 2025, deadline, the pipeline will be evaluated to see what further risk reduction measures can be implemented. This will include temporary pressure reduction or shut-int/isolation of the impacted segments.

c) <u>L3600</u>

SDG&E is in the process of evaluating L2010 using ECDA and SCCDA for EC, MD, and SCC. Originally an ILI was planned as an assessment, however due to the expiration of a transportation agreement, the ILI was postponed. The agreement was not finalized on time for the ILI to be feasible, thus a contingency plan of performing a ECDA and SCCDA was started instead. Indirect inspections were expected to begin in August 2024 and complete in November 2024. The targeted completion date was originally December 31, 2024, however due to a compressed window and challenges related to establishing an indirect inspection vendor contract and survey restrictions imposed by multiple agencies (including City of Chula Vista, City of La Mesa, City of Santee, City of San Diego, County of San Diego and Caltrans)

that prolonged the schedule for the indirect inspections, the deadline could not be met. These agencies include the City of Chula Vista, City of La Mesa, City of Santee, City of San Diego, County of San Diego and Caltrans. The additional direct examinations are anticipated to be completed by June 30, 2025. If it is determined that the assessments cannot be completed by the June 30, 2025, deadline, the pipeline will be evaluated to see what further risk reduction measures can be implemented. This will include temporary pressure reduction or shut-int/isolation of the impacted segments.