STATE OF CALIFORNIA Gavin Newsom, Governor

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298 THE PARTY OF THE P

June 27, 2023,

Non-DOT completed in Q2-2022

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 (Commission) reviewed Southern California Gas Company (SoCalGas)'s response letter dated March 24, 2023, addressing one (1) probable violation identified by SED during its investigation of Non-DOT reportable incident that occurred on September 23, 2021.

Attached is a summary of SED's investigation finding, SoCalGas' response to SED's finding, and SED's evaluation of SoCalGas' response to the probable violation.

This letter serves as official closure and any matters that are being considered for enforcement will be processed through the Commission's Citation Program or formal proceeding.

Thank you for your cooperation in this investigation. If you have any questions, please contact Molla Mohammad Ali, Senior Utilities Engineer (Supervisor), at (916) 928-2109 or by email at ma5@cpuc.ca.gov.

Sincerely,

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

cc: See next page

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Non-DOT Reportable Incident on September 23, 2021

Identified Probable Violation

1. G.O. 112-F, Reference Title 49 CFR, Part 192, §192.614(c)(5) states:

- (c) "The damage prevention program required by paragraph (a) of this section must, at a minimum...
- (5) Provide for temporary marking of buried pipelines in the area of excavation activity before, as far as practical, the activity begins."

On September 23, 2021, at approximately 0955 hours, a third-party contractor JFL Electric Inc. struck an SCG 4-inch steel main while boring. This resulted in damage to the pipeline and release of gas. SED's investigation found that this incident was caused by SCG not providing markings and the contractor failing to contact SCG prior to excavation. Therefore, SCG was in violation of GO 112-F and Reference Title 49 CFR, Part 192, Section 192.614(c)(5).

Response:

SoCalGas puts public, contractor, and employee safety as its top priority and is dedicated to learning from any incident that may occur as a result of its work activities. SoCalGas continually strives to improve processes and has investigated this incident.

Based upon our understanding of what occurred, SoCalGas disagrees that it was in violation of GO-112F, Federal Code Title 49 CFR, Part 192.614(c)(5) or its applicable gas standards. 49 CFR 192.614(b) states: "An operator may comply with any of the requirements of paragraph (c) of this section through participation in a public service program, such as a one-call system..." California's One-Call rules are set forth at Government Code section 4216.2.

SoCalGas' investigation reveals that the contractor failed to provide delineation of the area to be excavated, as required by California Government Code 4216.2 (a). This is a requirement so utility operators know where a proposed excavation activity will occur. Since the contractor failed to provide delineation, the SoCalGas locator who responded appropriately requested that the contractor delineates the proposed excavation site and resubmit a USA ticket before performing excavation activities, as allowed by California Governmental Code 4216.2 (a). Code 4216.2 (a), states, "If the area is not delineated, an operator may, at the operator's discretion, choose not to locate and field mark until the area to be excavated has been delineated".

Unfortunately, the contractor did not delineate the site or re-submit for a USA ticket per Gov Code 4215.2(a). Instead, it attempted to bore without proper field markings, which led to the damage. Based on the above, SoCalGas believes that its actions related to this incident met all applicable codes and respectfully requests that SED reconsider its finding of a violation related to this incident.

SED's Conclusion:

SED has reviewed SoCalGas' response and agrees with the explanation. Since the incident occurred due to contractor's failure to delineate and communicate with SoCalGasto mark the area to be excavated, SED recommends no fines or penalty be imposed.