

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



November 19, 2020

GI-2020-04-SCG-40-08 / GI-2020-04-SDG-53-08

Rodger Schwecke, Senior Vice President  
Gas Operations and System Integrity  
Southern California Gas Company  
555 West 5<sup>th</sup> Street, GT21C3  
Los Angeles, CA 90013

**SUBJECT:** General Order 112 Inspection of the Southern California Gas Company's and San Diego Gas and Electric Company's Gas Transmission Integrity Management Program (TIMP).

Dear Mr. Schwecke:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission, Paul Penney, Kai Cheung, James Zhang and Chirag Patel conducted a General Order 112 inspection of Southern California Gas Company and San Diego Gas and Electric Company Transmission Integrity Management Programs (TIMP) the weeks of April 20-24, 2020, April 27- May 1, 2020 and July 20-24, 2020. The inspection included a review of procedures and records related to the TIMP in-line inspection (ILI) program.

SED's findings are noted in the Summary of Inspection Findings (Summary) which is enclosed with this letter. The Summary reflects only those procedures and records that SED inspected during the inspection. SED discovered four violations and one concern during the inspection.

Please provide a written response within 30 days of your receipt of this letter indicating measures taken by Southern California Gas Company and San Diego Gas and Electric Company to address the findings noted in the Summary.

If you have any questions, please call Paul Penney at (415) 703-1817.

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

cc: Dennis Lee, GSRB  
Paul Penney, GSRB  
Kelly Dolcini, GSRB  
Kan-Wai Tong, GSRB  
Khoa Le, SoCal Gas and SDG&E

# Post-Inspection Written Findings

**Dates of Inspection:** 4-20→4-24-20 (Week 1); 4-27→5-1-20 (Week 2); and 7-20→7-24-20 (Week 3)

**Operator:** SOUTHERN CALIFORNIA GAS CO/ SDG&E

**Operator ID:** 18484 (primary)

**Inspection Systems:** Entire Gas Transmission System

**Assets (Unit IDs):** SoCalGas' Main Office Inspection - Transmission (88388)

**System Type:** GT

**Inspection Name:** (2020) SEMPRA TIMP Audit - ILI Focused

**Lead Inspector:** Paul Penney

**Operator Representative:** Khoa Le, et all

## Unsatisfactory Results

### 1) Assessment and Repair: Special Permits (AR.SP)

**Question Text** If the pipeline operates under a special permit have the processes been modified to incorporate the requirements of the permit for required ILI assessments performed?

**References** 190.341

**Assets Covered** SoCalGas' Main Office Inspection - Transmission (88388 (40A))

**Issue Summary** To SoCal's knowledge, they are not operating under any special permits (as of 7-24-20).

The procedure for special permits is in 183.08. It includes Emergency special permits but does not have language for non-emergency special permits. SEMPRA stated they will update the procedure for non-emergency special permits. This is a violation of 192.947(d) for not having a procedure per 190.341.

Please verify the procedure has been updated.

### 2) Integrity Management : Continual Evaluation and Assessment (IM.CA)

**Question Text** Do records demonstrate that periodic evaluations of pipeline integrity have been performed based on data integration and risk assessment to identify the threats specific to each covered segment and the risk represented by these threats?

**References** 192.947(d) (192.917(a), 192.917(b), 192.917(c), 192.917(d), 192.917(e), 192.937(b))

**Assets Covered** SoCalGas' Main Office Inspection - Transmission (88388 (40A))

**Issue Summary** **Data Request (DR) #15** asked the following questions:

1. What other assessment technique did SoCal Gas/ SDG&E use to assess for the identified threats on the missed footage?

**Utility response:** ILI was the only method performed for the entire extent of the assessment.

2. If SoCal Gas/ SDG&E didn't assess the missed footage, please explain in detail why.

**Utility response:** The lack of data at bends and certain features is a limitation of the robotic tool and is due to retracting sensors to traverse the aforementioned features. SoCalGas reviewed the results

from the entire survey and concluded the missing data at bends/elbows was not detrimental to the integrity of the pipeline for the following reasons:

1. There were no internal/external metal loss or deformation features detected by the ILI tool in the over 90% of successful inspection data for the pipeline; and 2. There were no internal/external metal loss or deformation features detected just before or immediately after the missed bend/elbow features throughout the entire inspection (see Sections 9 & 10 in the assessment package: pages 61 & 69) indicating metal loss and third-party damage features were not present on the pipeline following the inspection.

**DR #42** was a follow up to **DR #15**. It asked where the procedure documented in SoCal/SDG&E's response is located.

SoCal/SDG&E's response was that the procedure was in **GS 167.0210, paragraph 8.7.2**. However, this paragraph does not adequately explain the procedure SoCal/SDG&E used as described in SoCal/SDG&E's response to DR #15.

SoCal/SDG&E also responded in DR #45 that **GS 167.0210, paragraph 8.7.3** describes the process described in DR15. **SED staff disagrees**. There is no specific language in **GS 167.0210, paragraph 8.7.2 or 8.7.3** that assures that missed features are evaluated, and where needed, additional integrity assessment techniques used to assess the missed features.

**Per 192.947(d)**, please provide updated language for GS 167.0210, paragraph 8.7.2 or 8.7.3 to reflect the need to evaluate and address both robotic articulating ILI tools, traditional ILI tools and other ILI tools when features and other appurtenances (i.e., 45 degree elbows, 90 degree elbows, etc.) are not interrogated (i.e., sensors do not pick up internal and external corrosion, etc.) and document the analysis. Further, the procedure should include when to use additional assessment techniques to assess the missed footage. Therefore SoCalGas/SDG&E is in violation of 192.947(d).

### 3) Integrity Management : Preventive and Mitigative Measures (IM.PM)

Question Text Does the process include requirements to decide if automatic shut-off valves or remote control valves represent an efficient means of adding protection to potentially affected high consequence areas?

References 192.935(c)

Assets Covered SoCalGas' Main Office Inspection - Transmission (88388 (40A))

Issue Summary **SEMPRA's procedure 167.0214 (Preventative and Mitigative Measures), Section 4.11.2 is not adequate**. It does not include any information about SoCal/ SDG&E's Pipeline Safety Enhancement Program (PSEP) program and the decision tree requirements for selecting locations for Automatic Shut-off Valves (ACVs) and Remote Control Valves (RCVs), nor does it reference Gas Standard 223.023, the standard used by SoCal/SDG&E in making decision related to the Valve automation program and complying with PSEP. This standard is used by the Regulation, Measurement and Control group to make decisions related to the PSEP program and decisions about other valves to include in the program. Therefore SoCalGas/SDG&E is in violation of 192.947(d).

### 4) Integrity Management : Quality Assurance (IM.QA)

Question Does the process for measuring IM program effectiveness include the elements necessary to conduct a Text meaningful evaluation?

References 192.945(a) (192.913(b), 192.951)

Assets SoCalGas' Main Office Inspection - Transmission (88388 (40A))  
Covered

Issue  
Summary

This item was in the 2019 SEMPRAs TIMP audit letter; **SEMPRA's response was not adequate**.

**VIOLATION:**

**The 2019 audit letter from the GSRB stated:**

*Southern California Gas Company and San Diego Gas and Electric Company meets the requirements for four overall performance metrics and nine threat specific performance metrics required under 192.945(a). However, as identified in the first sentence of 192.945(a), each operator must include measures to evaluate the integrity **of each covered pipeline segment**. Both the nine threat specific performance metrics and the four overall performance metrics are aggregate performance metrics and do not evaluate the integrity of each covered pipeline segment.*

*Southern California Gas Company and San Diego Gas and Electric Company has no performance metrics to evaluate the integrity of each covered pipeline segment in accordance with 192.945(a).*

*According to DR #37, Southern California Gas Company and San Diego Gas and Electric Company does not include any other performance metrics, which is required by code.*

SoCal/SDG&E has failed to provide any other performance metrics that "**...measure whether the program is effective in assessing and evaluating the integrity of each covered pipeline segment...**" per the requirements of the first sentence of 192.945(a). Therefore, SoCalGas/SDG&E is in violation of 192.945(a).

## Concerns

### Integrity Management : Quality Assurance (IM.QA)

Question Text Does the process to evaluate IM program effectiveness include an adequate set of performance metrics to provide meaningful insight into IM program performance?

References 192.945(a) (192.913(b), 192.951)

Assets Covered SoCalGas' Main Office Inspection - Transmission (88388 (40A))

Issue Summary **CONCERN:**

SoCal/SDG&E has failed to implement any additional performance metrics either from its own procedure, TIMP.17, which has been in effect since at least 2010 or as a result of advisory bulletin ADB-2014-05, and the preceding advisory bulletin ADB-2012-10.

These ADBs advise operators to strengthen their programs by implementing additional performance metrics. For example, ASME B31.8S-2004, Section 9.2.1 (Process or Activity Measures), 9.2.2 (Operational Measures) and 9.2.3 (Direct Integrity Measures) discusses these different categories of performance metrics, and provide examples of different measures that fit into these categories.