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Mr. Terence Eng, P.E.
Program Manager, Gas Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Ave, 2nd Floor
San Francisco, CA 94102

Dear Mr. Eng:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Southern California Gas (SoCalGas) Company's, and San Diego Gas and Electric Company's (SDG&E) Transmission Integrity Management Program (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 staff identified four (4) Notice of Probable Violation and one (1) areas of concern. Attached are SoCalGas' written response.

Please contact Troy A. Bauer at (909) 376-7208 if you have any questions or need additional information.

Sincerely,

Troy A. Bauer
Pipeline Safety and Compliance Manager

CC:
Dan Rendler, SoCalGas
Dennis Lee, GSRB
Kelly Dolcini, GSRB
Kan-Wai Tong, SED, SED

2020 SoCalGas and SDG&E TIMP Inspection
04/20/2020 – 05/01/2020
and
07/20/2020 – 07/24/2020

Notice of Probable Violation(s)

1. 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.

   SoCalGas/SDG&E Response:

   SoCalGas and SDGE agree to update procedures to address the aforementioned issue.

   SoCalGas/SDG&E Corrective Action:

   SoCalGas and SDG&E have updated procedure 183.08 to include language regarding PHMSA Special Permits. Section 4.7 describes the process for PHMSA Special Permits and Section 4.8 describes the process for PHMSA 'Emergency' Special Permits

2. **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?

   SoCalGas/SDG&E 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.

   SoCalGas/SDG&E Corrective Action:

   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).

SoCalGas/SDG&E Response:

SoCalGas and SDGE agree to update procedures to address the aforementioned issue.

SoCalGas/SDG&E Corrective Action:

SoCalGas and SDG&E will add language to GS 167.0210 that requires an engineer to evaluate features that were not inspected by ILI tools due to sensor loss, including documentation of the analysis and the use of additional assessment methodologies to evaluate the integrity of those features when necessary. The standard will be updated as soon as practicable.

3. **During 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).

SoCalGas/SDG&E Response:

SoCalGas and SDGE agree to update procedures to address the aforementioned issue.

SoCalGas/SDG&E Corrective Action:

SoCalGas and SDG&E have updated the Preventative and Mitigative Measures Gas Standards (167.0214/G8186) to further describe the process for selecting ASVs and RCVs. The update includes a reference to Gas Standard 223.0223, Valve Automation, which details the criteria and analysis for determining ASV/RCV capabilities and installations.
Sections 4.11.2 in SoCalGas (167.0214) and SDGE (G8186) procedures have been revised to describe the ASV/RCV selection process as requested.

4. This item was in the 2019 SEMPRA 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).

SoCalGas/SDG&E Response:

SoCalGas and SDG&E disagree with the statement that the gas Integrity Management (IM) program does not have performance metrics to evaluate the integrity of covered segments. As stated in the 2019 audit response letter to GSRB, we have implemented a prescriptive IM program that meets the requirements of 192.945(a) through the aggregation and analysis of the overall and threat-specific performance metrics specified in ASME/ANSI B31.8S. The data is collected for the metrics at the covered segment level and are applied to evaluate the overall program effectiveness. Although we feel that these metrics are sufficient, we have begun to evaluate additional performance metrics to demonstrate the effectiveness of our IM program of the covered pipeline segments.

Utilizing ASME/ANSI B31.8S and PHMSA Advisory Bulletin 2014-05, the following are examples of progress made with these metrics:

- Moving Average of Anomalies Repaired by Integrity Assessment Method, Threat Category, HCA, and Types of Repair
- Baseline and Reassessed Mileage
- Leaks after Assessment

SoCalGas/SDG&E Corrective Action:

- SoCalGas/SDG&E will continue to utilize PHMSA guidance and industry knowledge to explore and develop additional metrics determined to be meaningful measures to evaluate program effectiveness.

Concern(s)

1. 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.

   SoCalGas/SDG&E Response:

   Please see response to Item #4 above.