

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 1, 2018

GI-2017-08-SDG46-02C

Jimmie Cho, Senior Vice President
Southern California Gas Company
Gas Operations and System Integrity
555 W 5th Street, GT21C3
Los Angeles, CA 90013

Subject: SED Closure Letter for the General Order (G.O.) 112-F Operation and Maintenance Inspection of San Diego Gas and Electric Company's Leak Surveys in the South Distribution Region

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed San Diego Gas and Electric Company's (SDG&E) response letter dated November 16, 2017 for the findings identified during the G.O. 112-F Operation and Maintenance (O&M) Inspection of the leakage survey processes. This inspection of SDG&E's South Distribution Area (Inspection Unit) was conducted from August 28 – September 1, 2017.

A summary of the inspection findings documented by the SED, SDG&E's response to the findings, and SED's evaluation of SDG&E's response for each finding is outlined in SED's summary of inspection findings.

This letter serves as the official closure of the 2017 O&M Leak Survey Inspection of SDG&E's South Distribution Region's facilities and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program.

Thank you for your cooperation in this inspection. Please contact Michelle Wei at (213) 620-2780 or by e-mail at miw@cpuc.ca.gov if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Dennis Lee".

Dennis Lee, P.E.
Program and Project Supervisor, Gas Safety & Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission

CC: Troy Bauer, SDG&E, Kan Wai Tong, GSRB/SED, Kenneth Bruno, GSRB/SED, Matt Epuna, GSRB/SED, Kelly Dolcini, GSRB/SED

Summary of Inspection Findings
2017 SDG&E South Distribution Area
August 28 – September 1, 2017

SED Recommendations

1. SDG&E’s practice for leak survey records is to have the leak survey technician keep his records on one map while he is working in the field (“truck map”) and then, after he has completed the work, transfer his notes to a clean copy of the map in the office (“office map”). SED reviewed the office maps and noted some instances where some pipelines appeared not to have been surveyed because they were not marked as complete. However, upon review of the truck map, the pipelines were marked as complete. Therefore, SED recommends that SDG&E counsel its employees to take care when transferring their notes or to use the truck map as the map of record.

SDG&E’s Response:

SDG&E’s current QA/QC process, as of 2017, includes review of the truck map and office map to ensure all information is transferred accurately. Once reviewed, the Supervisor stamps the office map and enters “QC (Quality Control) By” and “Date” information on the map. Both maps are maintained according to established record retention schedules with the office map in Miramar and the truck map at an offsite storage facility.

SED’s Conclusion:

SED has reviewed SDG&E’s response and accepts the proposed corrective actions. SED acknowledges that SDG&E’s proposed corrective actions will sufficiently address the aforementioned recommendation. However, SED may review the implementation of these stated corrective actions during future inspections.

2. SDG&E procedure G8145 “Leakage Surveys”, section 10.1.1.1 states that “The Gas Patroller is required to bracket the completed area(s) and/or segments they surveyed for that day on the Leakage Survey map using a blue pen.” During record review, SED noted that SDG&E employees instead drew a bubble around all the pipes that they completed the survey for that day. While both methods of documentation are similar, SED recommends that SDG&E follow Section 10 of G8145 as written.

SDG&E’s Response:

SDG&E employees that perform compliance Leak Surveys are being trained on how to “bracket” sections of a survey map as they complete them. All employees are expected to begin “bracketing” maps in accordance with SED’s recommendation in the fourth quarter of 2017.

SED’s Conclusion:

SED has reviewed SDG&E’s response and accepts the proposed corrective actions. SED acknowledges that SDG&E’s proposed corrective actions will sufficiently address the

aforementioned recommendation. However, SED may review the implementation of these stated corrective actions during future inspections.

3. During record review, SED noted that there were several instances where follow up work was necessary after an inspection order but no work was documented. Upon further investigation, SED discovered that SDG&E had employed contractors to remediate the conditions found but had not documented it in the original work order. SDG&E was able to provide documentation to show that the follow up work was completed, but SED recommends that they make a note of the completed work with the original work request in order to have complete records.

SDG&E's Response:

Follow-up remediation work is often assigned to other groups within SDG&E or to contractors. The systems used by these other organizations cannot always interface and communicate with the SAP Maintenance and Inspection platform. Notes can be, and generally are, entered into the SAP work order in a manner that aids in locating the follow-up work documentation. As noted by SED, SDG&E was able to provide documentation to show the completed work, albeit through a manual process that may involve searching other systems. SDG&E will continue to look for ways to improve this process.

SED's Conclusion:

SED has reviewed SDG&E's response and accepts the proposed corrective actions. SED acknowledges that SDG&E's proposed corrective actions will sufficiently address the aforementioned recommendation. However, SED may review the implementation of these stated corrective actions during future inspections.

4. SED completed a field inspection of BS-47 in the Beach Cities District. BS-47 is a short section of aboveground pipe on a dirt hillside. There is no foot traffic in that area, but SED is concerned that earth movement on the hillside may damage the pipeline. Therefore, SED recommends that SDG&E conduct more frequent inspections for BS-47 to ensure that the condition of the pipeline remains stable.

SDG&E's Response:

BS-47 has been placed on a permanent quarterly inspection cycle. Additionally, Technical Services will review this location for a possible longer-term solution such as a relocation.

SED's Conclusion:

SED has reviewed SDG&E's response and accepts the proposed corrective actions. SED acknowledges that SDG&E's proposed corrective actions will sufficiently address the aforementioned recommendation. However, SED may review the implementation of these stated corrective actions during future inspections.