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August 10, 2016

Mr. Kenneth Bruno  
Program Manager  
Gas Safety and Reliability Branch  
Safety and Enforcement Division  
California Public Utilities Commission  
320 W. Fourth Street, Suite 500  
Los Angeles, CA 90013

Dear Mr. Bruno:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (Commission) conducted a G.O. 112<sup>1</sup> Inspection of Southern California Gas Company's (SoCalGas) and San Diego Gas & Electric Company's (SDG&E) (collectively known as Sempra Energy Utilities (Sempra)) Public Awareness Program (PAP) on August 4-6, 2015. During the inspection, SED staff used the Pipeline and Hazardous Materials Safety Administration (PHMSA) Public Awareness Program Effectiveness Form (Form 21) as a reference guide to conduct the inspection.

SED staff did not identify any probable violations of G.O. 112, Reference Title 49 Code of Federal Regulations (CFR), Part 192 Section 192.616. However, SED made four recommendations described in the enclosed "Summary of Inspection Findings", which is enclosed with this letter, along with SoCalGas' response.

Please feel free to contact me at (213) 305-8660 if you have any questions or need additional information.

Sincerely,

W. Jeff Koskie

Attachments

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<sup>1</sup> General Order 112-F was adopted by the Commission on June 25, 2015 in Decision 15-06-004

**Summary of Inspection Findings  
2015 Sempra PAP Inspection  
August 4-6, 2015**

**SED's Recommendations**

**1. Audit Observation Identified in Protocol 1.04, Stakeholder Audience Identification  
Reference: Title 49 CFR, Part 192 Section 192.616(f)**

Protocol 1.04 states:

*“Does the operator’s program establish methods to identify the individual stakeholders in the four affected stakeholder audience groups: (1) affected public, (2) emergency officials, (3) local public officials, and (4) excavators, as well as affected municipalities, school districts, businesses, and residents?”*

Title 49 CFR, Part 192 Section 192.616(f) states:

*“The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas.”*

Sempra’s PAP Plan has adequate methods to identify the individual stakeholders in the four affected stakeholder audience groups. During the discussion of the addition of the Borrego Springs LNG facility to its PAP plan, Sempra stated that it liaisons with the local Fire Department and the mobile home park’s office manager since most of the Park’s residents do not live at the park year-round. SED recommended that Sempra identify a medium to deliver the messages directly to each home in the park, perhaps in winter when most of the residents are in the park.

SEMPRA’s Response:

As acknowledged in this observation, we are in compliance with 49 CFR 192, as LNG facilities are not addressed under Part 192. Nevertheless, consistent with our commitment to continuous improvement, we agree to deliver the messages to all residents and businesses that are within 660 feet of the Borrego Springs LNG facility.

SEMPRA’s Measures Taken:

After reviewing different options for message delivery, we came to a conclusion that direct mail is the best way to deliver the message. Our first mailing is scheduled to go out in 2016 and every other year thereafter. This change will be incorporated in our next plan revision.

**2. Audit Observation Identified in Protocol 2.03, Messages on Pipeline Facility Locations**

**Reference: Title 49 CFR, Part 192 Section 192.616(e)**

Protocol 2.03 states:

*“Did the operator develop and deliver messages to advise affected municipalities, school districts, businesses, and residents of pipeline facility location?”*

Title 49 CFR, Part 192 Section 192.616(e) states:

*“The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations.”*

Sempra delivered messages to the affected entities noted in 49 CFR, Part 192 Section 192.616(e). In the 2012 PAP Inspection Letter, SED recommended that Sempra target its messaging to schools about their responsibilities to maintain their master-metered distribution pipeline or buried yard gas pipeline systems. Sempra responded to the recommendation by including messages regarding these types of systems in their mailings to schools. However, SED is concerned that Sempra’s messages were too general and that schools’ personnel may dismiss the messages as being non applicable. SED recommends that Sempra identify schools have master-metered distribution pipeline or buried yard gas pipeline and provide refined targeted messages to those schools.

SEMPRA’s Response:

The audit observation correctly notes that we included the message about the natural gas line maintenance in our communications to schools. Additionally, our annual in-bill messaging provides customers information sufficient to remind them of their responsibility to properly maintain their house and yard lines.

SEMPRA’s Measures Taken:

Although we are in full compliance with 49 CFR 192.616, consistent with our commitment to continuous improvement, we are in the process of sending the gas line maintenance message to schools as a standalone message to emphasize importance of maintaining all natural gas lines after the meter. The first communication is scheduled to go out in 2016 and every other year thereafter. This change will be incorporated in our next plan revision.

**3. Audit Observation Identified in Protocol 4.03, Measure Percentage of Stakeholders Reached**

**Reference: Title 49 CFR, Part 192 Section 192.616(c)**

Protocol 4.03 states:

*“Did the operator determine the percentage of the individual or entities actually reached within the target audience within all areas along all systems covered by its program? If not, did the operator provide justification in its program or procedural manual?”*

Title 49 CFR, Part 192 Section 192.616(c) states:

*“The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.”*

Semptra determined the statistical sample size and margin-of-error for each of the four intended stakeholder audiences for all of its surveys. During the inspection, Semptra explained its processes if the level of response did not meet its 10% threshold for estimating the percentage of individuals or entities actually reached within each intended stakeholder audience group. However, Semptra’s PAP plan did not address the processes for estimating the percentage of individuals or entities reached in sufficient detail. SED recommends that Semptra address this in its PAP Plan, including the methods and types of surveys it will conduct, as it explained to SED during the inspection.

SEMPRA’s Response:

The audit observation correctly notes that we have an adequate process for estimating the percentage of individuals or entities reached. We reviewed our PAP plan and believe that it includes sufficient information on the process of estimating the percentage of individuals or entities reached for all our surveys, including the methods and types of surveys.

SEMPRA’s Measures Taken:

Consistent with our commitment to continuous improvement, we will expand “Appendix E. Sampling Margin of Error” to include more details about the process for estimating the percentage of individuals or entities reached in our next plan revision.

**4. Audit Observation Identified in Protocol 4.06, Measure Bottom-Line Results**  
**Reference: Title 49 CFR, Part 192 Section 192.616(c)**

Protocol 4.06 states:

*“In evaluating its public awareness program effectiveness, did the operator attempt to measure bottom-line results of its program by tracking third-party incidents and consequences including: (1) near misses, (2) excavation damages resulting in pipeline failures, (3) excavation damages that do not result in pipeline failures? Did the operator consider other bottom-line measures, such as the affected public’s perception of the safety of the operator’s pipelines? If not, did the operator provide justification in its program or procedural manual?”*

Title 49 CFR, Part 192 Section 192.616(f) states:

*“The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.”*

Semptra did not near misses data. SED recommends that Semptra monitor, track, trend, and integrate the near miss data into its PAP program. If Semptra tracks and trend the near miss data, it can target its messages to the individuals/entities that are most likely to damage its pipeline.

### SEMPRA's Response

To glean any meaningful observations specific to near misses, we need to capture sufficient data for statistical analysis, correlation studies and trending. It appears that calls to report near misses are rare, so there are very few near misses reported. In most cases, dents, scratches, etc. are discovered during patrols or other surveillance activities by company personnel, not through third-party reports.

### SEMPRA's Measures Taken:

Consistent with our commitment to continuous improvement, we are beginning to identify additional sources for the near miss data and information. Currently, the process is in development.