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December 5, 2019

Mr. Dennis Lee  
Program & Project Supervisor  
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. Lee:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112, Operation and Maintenance Inspection of Southern California Gas Company's (SoCalGas) and San Diego Gas and Electric Company's (SDG&E) Damage Prevention Program Inspection from August 20, 2019 to August 23, 2019. The inspection included a review of the companies' current Damage Prevention Programs, and some related records for the period of 2017-through the present, as well as the companies' response to SED's March 2018 Report on its findings from the last damage prevention program inspection. The inspection also included a review of field locates.

Attached are Southern California Gas Company's (SoCalGas) and San Diego Gas and Electric Company's (SDG&E) written responses.

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

Sincerely,

Troy A. Bauer  
Pipeline Safety & Compliance Manager

CC: Sunil Shori, SED  
Claudia Alemengor, SED  
Kan-Wai Tong, SED  
Rodger Schwecke, SoCalGas & SDG&E

**2019 SoCalGas and SDG&E Damage Prevention Program Inspection**  
**8/20/2019 to 8/23/2019**

**I. Probable Violations**

§192.13(c) states:

*“Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.”*

**We believe that SoCalGas and SDG&E need to modify procedures of their respective Damage Prevention Programs to address the following:**

**Response:**

SoCalGas/SDG&E appreciate the opportunity to work with SED to review and discuss our damage prevention program. We strive for continuous improvement and openly seek opportunities to enhance our programs to further the safety and reliability of our natural gas system. Part of our efforts include those employees responsible for the Damage Prevention Program routinely participating in various damage prevention-related industry associations and meetings; and discussing damage prevention, locate and mark, and public awareness topics with industry colleagues to better understand how the industry is applying requirements and best practices. Based on such involvement within the industry, we feel we have a strong Damage Prevention program. However, we are always looking for opportunities to enhance our program for further improvements where appropriate and practical. Additionally, we feel that our periodic interactions with SED provide another opportunity to identify those areas where improvement may be accomplished. In these instances, understanding regulatory interpretation enables us to implement appropriate improvements and recommendations from commission personnel. Acquiring a full understanding of a potential violation allows us to research options and engage in discussions with our industry colleagues to determine the solutions for our circumstances. It would be very helpful for us, when trying to improve our program, to fully understand the extent and nature of our violation so we can modify for compliance.

Under Section I. Probable Violations in SED’s audit letter, most of the NOPV’s cited are identified as potential violations of 49 CFR 192.13(c) which is a very generic section of the code. Section I. of the audit letter is further broken down into three subsections where “Issues” with our damage prevention Gas Standards” are cited. We respectfully disagree with SED’s assessment that all the items listed equate to probable violations of the regulations. Most appear to be recommendations to add clarity or enhance existing processes and procedures. Many of the NOPV’s cited in the letter appear to be suggestions on wording, phrasing, and adding clarity for a casual reader and do not appear to reflect a violation of any specific code language.

Section II. – Areas of Concern/Recommendations of SED’s audit report references the lack of progress SoCalGas/SDG&E have made on findings from the previous damage prevention audit report. When we received the previous audit report on March 1, 2018, we began to determine responses to those findings and formulate recommendations. Some were straightforward, some were more complex and impacted multiple groups and IT applications. As we were working

through the solutions, a determination was made in early 2019 to evaluate the damage prevention program to identify a more holistic approach for all impacted stakeholders and develop a thoughtful plan to implement changes to policy and procedures so that employees could comprehend the changes while mitigating potential risk. This resulted in a temporary slowing of some of the previously intended audit responses, but we feel such an approach will ultimately lead to a more robust program. A summary of SoCalGas/SDG&E's internal findings and program enhancements was shared with CPUC/SED personnel during an in-person meeting at the Gas Company Tower in Los Angeles on August 14, 2019. Some SED personnel participated via a net-meeting call.

The responses to each NOPV and Concern/Recommendation are addressed below:

**1) Issues with SoCalGas Standard 184.0175 (and SDG&E equivalent G7451):  
SoCalGas and SDG&E would like to point out that Standard 184.0175 is the company procedure for when the utilities are the excavator, not for marking and locating for other 3<sup>rd</sup> party excavators.**

**a) Page 3, Section 4.2 - Clarify to indicate "location of non-company facilities..."**

**Response:**

We agree to clarify this section by updating the referenced Gas Standards 184.0175/G7451 - *Prevention of Damage to Subsurface Installations* to read as follows:

4.2. Obtain other available records, such as sewer locations, to determine ownership and locations of subsurface installations, not identified nor shown on Company plans.

**b) Page 3, Section 5.2 - Include master-meter customers with piping systems (i.e. master-metered MHPs).**

**Response:**

We agree to clarify this section by updating the referenced Gas Standards 184.0175/G7451 - *Prevention of Damage to Subsurface Installations* to read as follows:

5.3. Notify foreign subsurface installations owners, who are non-members of USA, such as Caltrans, military on-base and off-base subsurface installations, mobile home parks and master meter properties.

**c) Page 4, Section 6.1.2 - Though company standards discuss one-call centers, and the need to notify these centers of the intent to excavate, we found no statements in any company standards that require both SoCalGas and SDG&E to be members of the one-call centers. We are aware that both companies are members of the one-call centers covering their respective operating territories; however, it is imperative that a statement requiring one-call center membership be in company procedures/standards.**

**Response:**

As noted previously, Standard 184.0175 is for the utility acting as an excavator not a utility providing information to others.

We agree to clarify this section by updating the appropriate Gas Standards, 184.0200/G8123 - *Underground Service Alert and Temporary Markings* with the following:

1.4. The Company is a member of both California Regional Notification Centers – USA North and DigAlert (USA South).

- d) **Page 6, Section 6.3.4.2 - Company representatives indicated Section 6.3.4.2 only applies to company facilities; however, Section 6.3.5 doesn't limit power tools to clay spade. Standard needs to modify 6.3.5 to place limits on power tools that can be used or apply 6.3.4.2 to all facilities where power tool use is obtained through agreement.**

**Response:**

We agree to clarify this section by updating the referenced Gas Standards 184.0175/G7451 - *Prevention of Damage to Subsurface Installations* to read as follows:

6.3.5. If conditions, such as hard earth, necessitate the use of power-operated equipment like a pneumatic clay digger, pavement breaker, or rock drill within the tolerance zone of the marked horizontal path of the foreign subsurface installation, a mutual agreement (verbal or written) shall be obtained from the subsurface installation owners and/or operators before such power equipment is used. In addition to obtaining permission to use power-operated equipment to remove hard earth, the subsurface installation owners and/or operators and the company shall always consider the inherent inaccuracies in electronic locating, the size and material of the foreign subsurface installations, and the potential force that can be applied by power-operated digging tools, such as clay diggers.

- e) **Page 9, Section 6.3.9 - Standard needs to specify a minimum of 12-inches of separation for boring work and not just "adequate" clearance. Moreover, a standby requirement would be good to determine that separations required by GO 112-F, especially when bored facilities cross companies' facilities, are provided following completion of a boring installation.**

**Response:**

We agree to clarify this section by updating the referenced Gas Standards 184.0175/G7451 - *Prevention of Damage to Subsurface Installations* to read as follows:

6.3.2. Excavation for construction of new Company subsurface installations shall provide required clearance with foreign subsurface installations. Clearance between foreign subsurface installations and Company subsurface installations shall be at least

18 inches (of separation) from transmission lines, 12 inches (of separation) if parallel to a distribution line, and 6 inches (of separation) if crossing a distribution line.

As previously noted, this procedure, 184.0175/G7451, is for the Company and Company Contractors performing excavation work and activities, therefore the appropriate representative would be onsite.

- f) **Page 12, Section 7.1 - There is no procedural process to confirm, or document, that knowledge transfer as expected by Section 7.1 is occurring and what topics are covered during project or activity hand-offs between multiple inspectors or pipeline crews.**

**Response:**

Gas Standard G8302 - *Conducting and Documenting Tailgate Job Briefings* covers this process at SDG&E. For SoCalGas, a best practice has been in place that utilizes a Tailgate/Job Safety Checklist to address these procedures. SoCalGas will move forward with formalizing this procedure.

**2) Issues with SoCalGas Standard 184.09 (and SDG&E equivalent G8122):**

- a) **Page 1, Section 1.4 - Standard continues to require stand-by for low and medium pressure provided "as necessary" as noted in last inspection. However, we believe some stand-by or field review for boring operations near such facilities may need to be proceduralized as being mandatory in order to confirm that clearances are maintained as required by GO 112-F.**

**Response:**

We respectfully disagree that SoCalGas/SDG&E's procedures are in violation of GO112-F. It is our understanding that Section 143.3 of GO112-F and 49CFR Subpart 192.325 concern the initial installation of transmission and distribution gas pipe and make no reference to a requirement of an operator to maintain separation clearances from subsequently installed foreign lines. Further, Section 144.3(c) states: "In all instances where the required separations cannot be maintained, it is the responsibility of the party last installing facilities to confer with the utility that the reduced separations do not adversely impact the integrity of the gas pipeline facilities, which includes any cathodic protection that may be applied to the gas pipeline facilities."

SoCalGas/SDG&E have instituted enhancements that exceed the minimum code requirements for standby. The 49 CFR 192.935(b)(1)(iv), however, requires standby for covered segments within the transmission integrity management program requirements. SoCalGas/SDG&E have expanded that requirement and perform standby on all excavation activity within ten feet of any high-pressure (>60psig) pipeline or facility. (see section 6.1.1 of Gas Standards 184.09/G8122, *Prevention of Excavation Damage to Company Facilities*)

SoCalGas/SDG&E procedures provide its field operations supervision with the option to perform standby operations on medium pressure piping on an “as necessary” basis to allow them to use their experience and jobsite specific conditions to determine if an observation is warranted. This could include reasons such as historical contractor performance and installation conditions such as trenchless technologies, including boring, or other project specific issues.

Additionally, excavators are required to follow 4216.4 (a)(1) which requires them to “...determine the exact location of the subsurface installations in conflict with the excavation using hand tools before using ... any boring equipment within the tolerance zone of the subsurface installations... to prevent damage to subsurface installations.” Further, section 4216.4(c)(1) states “An excavator discovering or causing damage to a subsurface installation, including all breaks, leaks, nicks, dents, gouges, grooves, or other damage to subsurface installation lines, conduits, coatings, or cathodic protection, shall immediately notify the subsurface installation operator.”

Maintaining minimum clearance on our gas piping system from other subsurface infrastructure would require observation of all foreign substructure installations, not just those from boring operations. SoCalGas/SDG&E project that they will receive well over one million USA tickets in 2019. Providing installation oversight for even a fraction of those projects would be impracticable. We do understand the heightened awareness around boring and other trenchless installations and will evaluate available data to determine what additional mitigation practices should be implemented.

- b) **Page 2, Section 2.5 – There is no clear SoCalGas/SDG&E process to review contractor field activities to confirm continued compliance with damage prevention standards. This is especially important for SoCalGas because it requires company excavator contractors to perform their own locates of distribution company facilities as part of their contract work. For SDG&E, company excavator contractors are required to notify one-call, instead of performing their own locates, and SDG&E/Utiliquest then mark and locate SDG&E facilities. Also, it was noted that SoCalGas/SDG&E have not mapped company owned electric service lines which power company gas facilities such as valves or rectifiers. SoCalGas representatives indicated that work is now underway to perform mapping of these electric facilities; however, no estimates for amount of work or completion date was provided during the audit. Since this is a serious safety issue, and a non-compliance with GO 112-F as well as GC 4216, we would like for the companies to accelerate efforts to complete mapping updates and provide a date positive by which we can expect this effort to be completed.**

**Response:**

SoCalGas/SDG&E have a policy that provide for contractor oversight. However, due to an oversight, it was not provided during the audit. Gas Standard 191.0025 – *Inspection and Scoring of Construction Work*, provides the guidelines and requirements for a Company authorized representative inspecting and scoring of construction work performed by company and contractor personnel. More specifically, Section 4.9.10 – Locating/Damage Prevention outlines eighteen separate activities, in alignment with

Damage Prevention Standards, that can be reviewed/inspected/graded in this regard, depending on the scope of the construction project.

Regarding the second portion of this finding, SoCalGas has records of its company owned electric lines. We are in the process of improving our records by making them more readily available in GIS with an estimated completion date of May 2021.

- c) **Page 8, Section 7.2 – Currently, companies’ standards require investigation where physical evidence indicates encroachments near high pressure gas facilities in which the company did not provide monitoring; however, neither company has any policy/procedure for performing investigations of evidence of such encroachments near facilities other than high pressure. We believe the companies need to consider establishing procedures to identify instances in which more investigation of encroachment near facilities other than high pressure may be warranted/mandated (i.e., gas leakage along with physical evidence of encroachment without notification).**

**Response:**

Employees are trained and qualified to check for Abnormal Operating Conditions (AOCs) when performing their work. For clarity, the following language stating this fact will be added to the standard as recommended:

1.6. If encroachment is discovered when responding to USA tickets, the site shall be examined for AOC’s such as the smell of gas, objects installed over the company’s subsurface installation, etc. and responded to accordingly. See Gas Standard 167.0100, *Operator Qualification Program*.

- d) **Page 4 of revision, Section 3.14.1 - Clarify Section 3.14.1. to be clear that twenty-four inches on each side of a “single marking” applies only if size of the facility is not known or provided in the positive response.**

**Response:**

The referenced Gas Standard wording mirrored 4216(u)(1)’s language that “Twenty-four inches from each side of a single marking, assumed to be the centerline of the subsurface installation.” The context of not having the size identified in the marking is evident when reading section (1) in conjunction with sections 4216(u)(2) & (3) which are also quoted in the Gas Standard.

To provide additional clarity, the Gas Standard wording will be updated to state as follows:

“Twenty-four inches from each side of a single marking, assumed to be the centerline of the subsurface installation when the subsurface installation size has not been provided with the marks.”

**3) Issues with SoCalGas Standard 184.02 (and SDG&E equivalent G8123):**

- a) **During our field review we noted that for Ticket A192310769, no "SDGE" marking was provided for gas and for Ticket B192300032, no "SDGE" or pipe diameter (2") were marked for gas mains per SDG&E Standard G8123. The companies need to continue assuring that field marking for company facilities are conveyed per company standards/procedures.**

**Response:**

To clarify company procedure requirements, an Information Bulletin will be published to address/remind all impacted personnel to follow standard protocol when marking for 3rd as well as 1st and 2nd party tickets.

- b) **Page 1, Section 1.1 - SoCalGas/SDG&E need to ensure that their policy statements clearly require them to follow all GC 4216 requirements for when the company is an excavator as well as a locator.**

**Response:**

We agree to clarify this section by updating Gas Standards 184.0200/G8123 - *Underground Service Alert and Temporary Marking*, to read as follows:

1.1. All Company and Company Contractor personnel performing locating and marking, excavation, and/or construction activities shall comply with all State of California Regulations (i.e. California Government Code, Title 1, Division 5, Chapter 3.1, Section 4216) to prevent damage to foreign and Company owned subsurface installations. See Appendix A.

- c) **Page 1, Section 1.1 - SoCalGas/SDG&E need to make sure there is a statement that requires both companies to be members of one-call centers.**

**Response:**

The companies have been members of both regional notification centers since the inception of those centers. We agree to clarify the referenced section of Gas Standards 184.0200/G8123 - *Underground Service Alert and Temporary Marking*, to read as follows:

1.5. The Company is a member of both California Regional Notification Centers – USA North and DigAlert (USA South).

(SDG&E version) - The Company is a member of the California Regional Notification Center DigAlert (USA South).

- d) **Page 2, Section 2.7.3 – We were unable to confirm if SoCalGas locates performed by company excavator contractors are being reviewed by any internal entity.**



**Response:**

Please see response to Item 2) b) above.

- e) **Page 4, Section 2.12 - SoCalGas has no written frequency requirement for updating mapping data to USA. Company representatives indicated this is currently performed annually and may become quarterly; however, this is not proceduralized within the standards.**

**Response:**

We agree to clarify this section by updating Gas Standards 184.0200/G8123 - *Underground Service Alert and Temporary Marking*, to read as follows:

2.12. Damage Prevention Strategies shall verify USA polygons are accurate and include and account for all Company assets through WIP clouds and the GIS (see definitions section) system once each calendar year.

- f) **Page 5, Section 3.12.1 - Better define Inactive subsurface installation to be clear such facilities are maintained in compliance with state/federal regulations.**

**Response:**

We agree to clarify this section by updating Gas Standards 184.0200/G8123 - *Underground Service Alert and Temporary Marking*, to read as follows:

1.1.1.3. Inactive is also defined in GS 184.0085 as a pipeline that is physically separated from the gas system but is still maintained in accordance with DOT Part 192.

(SDG&E version) - Inactive is also defined in GS D7381 as a pipeline that is physically separated from the gas system but is still maintained in accordance with DOT Part 192.

- g) **Page 7, Section 3.25.1 - Clarify Section 3.25.1. to be clear that single marking means if size is not known or provided in positive response.**

**Response:**

Please see response to Item 2) d) above.

- h) **Page 12, Section 7.2 - No current process to capture ticket extension agreements and details. SoCalGas representatives indicated this is in revision; however, such a process and documentation requirements are essential requirements that were expected to already be implemented. SED reviewed 2019 late USA tickets which SoCalGas investigated and re-classified as not being late due to locator discussion with excavators. However, SED noted that these discussions appear to have taken place after the legal start date had already been exceeded and by which a positive response per GC 4216 had to have been provided. We question why SoCalGas'**

**review reached incorrect conclusions for 2019 and the validity of any SoCalGas and SDG&E reviews of records for late locates not reviewed by SED (i.e., 2017-2018).**

**Response:**

During the audit there was discussion about the utilities late ticket analysis and reporting efforts, which included a presentation of potential late ticket data. During the presentation, however, an incorrect set of data was pulled for the discussion resulting in information presented that was not representative of our late ticket analysis. An attempt to provide correct data was not successful because of the full agenda and a follow-up review of a correctly queried data set was not scheduled. The information accompanying the 3<sup>rd</sup> quarter reporting, however, was an accurate analysis. SoCalGas/SDG&E are prepared to review our late ticket analysis at SED's convenience.

The Korterra 811-ticket management system in use by SoCalGas/SDG&E does not currently have a dedicated data field to document a mutual agreement for changes to the legal start date/time of an excavation. The locators have used the notes field to document communications with an excavator including a new mutually agreed upon start date/time. However, current in-process enhancements to Korterra will include a separate data field to facilitate this concern and to provide for analysis and trending. An update to the Gas Standard includes the following description for establishing mutual agreement:

*“The locator may speak with the excavator to provide markings on a mutually agreed upon date and time beyond the legal start date and time listed on the ticket. The locator shall document the agreed upon date and time for markings to be completed and the excavator's name who made the agreement. A mutual agreement to complete marking at a later date and time requires the excavator, to verbally or in writing, confirm the mutually agreed upon later date and time. Voicemails do not constitute a mutual agreement.”*

- i) Page 14, Section 7.6 - SoCalGas/SDG&E must ensure that Form 5153 and all other documents related to a given ticket (i.e., QA reviews) are cross referenced and easily retrievable for reviews of one-call notifications from their start to closure.**

**Response:**

Currently, listings can be developed for each activity and their corresponding USA tickets. Automated integration and correlation are not achievable at this time, but manual comparisons can be performed.

- j) Page 19, Section 7.16 - SoCalGas/SDG&E require that during the locate activity, any locator finding previously placed marks that are determined to be inaccurate to be concealed. However, there is no requirement for documenting and conveying the inaccuracy for review and/or determination as to the reason behind the**

**inaccuracy. We believe capturing information related to inaccurate locates found in the field would assist the companies to better, and timely, identify existing marking and/or mapping deficiencies.**

**Response:**

We agree to clarify this section by updating Gas Standards 184.0200/G8123 - *Underground Service Alert and Temporary Marking*, to read as follows:

i) If previous company marks are visible within the delineated excavation location, the locator shall attempt to verify that those marks are accurate. Marks found to be inaccurate shall be concealed. For example, inaccurate marks on asphalt may be concealed with black paint. Notify Supervisor if previous location marks for the same USA ticket appear to be marked at incorrect location.

## **II. Areas of Concern/Recommendations**

**A) We suggest the companies consider modifying SoCalGas Standard 184.02 (and SDG&E equivalent G8123) to add a policy/procedure to mark pipeline facilities which continue through the delineations for the intended work area provided by an excavator and/or for facilities which may be located on the periphery, external to, the delineated work area. We believe extended markings, limited perhaps to 18-24 inches beyond the work area delineations, could raise excavator awareness to utilize proper excavation practices in the vicinity of the excavation, and not just within the delineated area.**

**Response:**

We value this recommendation and will review our current locate and mark practices to identify beneficial enhancements with consideration given to an excavator's responsibility to properly delineate and maintain marks and awareness of the overmarking and marking removal requirements.

**B) Both companies use Form.677-1 which captures times and facility conditions, Koreterra, or a work order generated for standby (i.e., for stand-by at work performed by a company contractor. We suggest that this be codified in the stand-by standard as to where time and standby activities can be captured.**

**Response:**

The current draft-update to Gas Standards 184.09/G8122, *Prevention of Excavation Damage to Company Facilities*, indicates where the standby time is captured. The new version, reflected in the following, will be published shortly.

12.1. Stand-by shall document:

12.1.1. All third-party excavation activities in an SAP stand-by order for Distribution. Transmission shall document the same on Form 677-1, *Pipeline Condition and Maintenance Report* and KorTerra®.

12.1.2. All exposed Transmission- and Storage-operated high priority pipelines on Form 677-1, *Pipeline Condition and Maintenance Report*. See Form 677-1 for routing instructions of the completed form.

12.1.3. All exposed Distribution-operated high priority pipelines on Form 677-1, *Pipeline Condition and Maintenance Report*. See Form 677-1 for routing instructions of the completed form.

- C) Contrary to their response to Item 1 from SED’s 2018 Report to SoCalGas/SDG&E, the companies made no changes to Standards 184.09 or G8122, as indicated they would be doing in the response. These standards are currently being updated; however, they continue to have no requirements for stand-by for boring occurring near medium pressure (60 or under psig). As noted in Item 2a), above, this issue remains unresolved from the previous audit and report.**

**Response:**

Comparing the SED’s 2018 report with its 2015 audit of the utilities Damage Prevention Program shows no indication that stand-by was suggested for boring occurring near medium pressure. Furthermore, a review of GO112-F and 49 CFR 192 shows no “requirements” for stand-by for boring operations occurring near medium pressure.

Please see response to Item 1) a) above.

- D) Contrary to their response to Item 2 from SED’s 2018 Report to SoCalGas/SDG&E, the companies made no changes to 184.02 or G8123, as they indicated they would be doing in the response. Company representatives indicated that currently there is, at a minimum, a one-per year review of each locator; however, the SoCalGas QA procedure presented does not indicate the per locator review and it appears to remain as a random sampling. Overall, the companies’ QA processes continue to be unclear in confirming reviews performed for each locator. We suggest that SoCalGas consider incorporating a process, which SDG&E indicated it is currently using, for retaining a listing of the pool of operator qualified locators along with QA documentation in order to allow for confirmation of each locator undergoing a QA review and/or confirming why samples/reviews were not conducted for a given locator.**

**Response:**

In response to the initial Item 2 finding, a more formalized quality assurance program was implemented for the locate and mark activities. The procedures that were initially utilized were guidelines and not formalized in a Gas Standard. We are now in the process of formalizing these procedures and converting them to Gas Standards. This process is anticipated to be completed by the end of the 1st quarter of 2020.

**E) Regarding the companies' response to Item 3 from SED's 2018 Report to SoCalGas/SDG&E, we noted that SDG&E freezes an employee's OQ for findings and SoCalGas performs supervisory reviews. However, there is still no written policy/process or procedure on how findings of human error/issues result in follow-up actions.**

**Response:**

The revision has been drafted to read as follows:

“Distribution Regions and Transmission Districts shall document any and all damage found to be Company error. This documentation shall be input into the Emergency Incident Record (EIR) system including follow up action to prevent future incidents. Corrective actions based on performance of a covered task shall follow *Operator Qualification Program* Gas Standard 167.0100, Sections 4.3-4.3.5 - Evaluations Following Incidents. Mapping errors shall have map updates submitted to correct GIS mapping via a Map Update Request (MUR) form. See Gas Standard 184.0070, *Preparation of Service Sketches*. Refer to OQ standard for task related disqualification. Contact OQ for further guidance.”

**F) Regarding the companies' response to Items 4, 5 and 7 from SED's 2018 Report to SoCalGas/SDG&E, changes made in April 2019 proceduralized Item 4 and the companies indicated they are making changes noted in the response for Item 5 and 7 in upcoming standards. However, nothing changed as of now. We would like to see the final changes in company standards related to the responses for Items 4, 5 and 7.**

**Response:**

2.15. Distribution Regions and Transmission Districts shall document any and all damage found to be Company error. This documentation shall be input into the Emergency Incident Record (EIR) system including follow up action to prevent future incidents. Corrective actions based on performance of a covered task shall follow *Operator Qualification Program* Gas Standard 167.0100, Sections 4.3-4.3.5 - Evaluations Following Incidents. Mapping errors shall have map updates submitted to correct GIS mapping via a Map Update Request (MUR) form. See Gas Standard 184.0070, *Preparation of Service Sketches*. Refer to OQ standard for task related disqualification. Contact OQ for further guidance

2.16. Distribution Regions and Transmission Districts discovering mapping errors as part of the normal locate and mark activity shall submit GIS mapping corrections via a Map Update Request (MUR). See Gas Standard 184.0070, *Preparation of Service Sketches*.

7.7.3. If locator signal, maps, or printed records cannot verify Company owned subsurface installation locations, advise Distribution Regions or Transmission District Management. Distribution Regions or Transmission Districts shall take additional actions, such as using the Jameson Lines Tracer tool, or potholing the subsurface installation to find its exact location.

**G) Regarding the companies' response to Item 6 from SED's 2018 Report to SoCalGas/SDG&E, currently SDG&E targets a contract/in-house locate percentage of 50/50 (actual now is 55/45). SDG&E took over mark and locate (M&L) management from another group to have better access to Utilquest (SDG&E's contract locator) investigations. SDG&E has a QC program for its own M&L work force which it is currently piloting for Utilquest; however, there is no formal QC process for Utilquest in SDG&E's contract with that company, though SDG&E representatives indicated the company is working to implement one when SDG&E's contract renews in 2020, or sooner. We are concerned that there is no current requirement in the contract between SDG&E and Utilquest requiring Utilquest to perform any kind of QA/QC on itself for mark and locate activities performed on behalf of SDG&E and urge SDG&E to clearly incorporate contractual requirements at soon as possible.**

**Response:**

SDG&E will no longer utilize contract locators by the end of the second quarter of 2020. All locate and mark activities will be done in-house.

**H) Regarding the companies' response to the concerns/recommendations from SED's 2018 Report to SoCalGas/SDG&E, issues noted above capture ongoing concerns we continue to have regarding our original Concern 1. Regarding Concern 2, SoCalGas made report changes in April 2019; however, we were unable to confirm procedural changes that support the statement: "the Company has improved reports that show damage trends." Regarding Concern 3, we were unable to see sufficient support of the monitoring, tracking and trending performed monthly of dig-in incidents. Finally, regarding Concern 4, SDG&E indicated its QA document, SDG&E Locate& Mark Quality Control Program, has been in place since 2017 and SoCalGas indicated its QA document, Distribution Locate and Mark Quality Management Assessment Guidelines (Updated July 2019), has been in place since 2014. However, neither of these documents are approved standards nor do the documents provide any dates when programs became effective. We continue to believe these programs need to be proceduralized in formal standards.**

**Response:**

Concern 1 (2018) – As stated in our original response to Concern 1 in 2018, "the utilities are evaluating different system enhancements that will provide enhanced data collection processes." We have replaced the old incident management system, WebEOC, with a new software tool, Noggin. We are leveraging this upgrade to incorporate a more robust and logic driven iteration of the Emergency Incident Report (EIR) which is used by Operations personnel to collect data and document the various types of incidents that regularly occur. This system enhancement will include more detailed data which will allow for increased analytics and reporting. Our intention is to associate these new capabilities with the ongoing QA and Operator Qualification efforts to provide insight into the newly accessible trends and provide further abilities to improve the performance of the program. As mentioned in the opening remarks, this system upgrade impacts numerous stakeholder groups (IT, Damage Prevention, DIMP, Claims, Customer Service Distribution Operations, Pipeline Safety & Compliance, Emergency Services, SoCalGas and SDG&E

representatives) and, as such, must be thoroughly planned and developed to avoid unwanted problems. We have brought in a consulting group which is helping us through this change and anticipate having a working solution in place sometime after Quarter 2, 2020.

Concern 2(2018) – SoCalGas/SDG&E have been refining our data collection and reporting abilities. We have developed more detailed metrics to better understand damage causes and more effectively and efficiently manage the program. While these abilities were not reviewed during the 2019 audit, SoCalGas/SDG&E are prepared to discuss these new metrics at SED’s convenience.

Concern 3(2018) – Continuous improvement and better data collection processes are allowing for better data analysis and the ability to trend and determine cause with greater granularity. Like our response above to Concern 2(2018), SoCalGas/SDG&E are prepared to discuss these new metrics at SED’s convenience.

Concern 4(2018) – See response to Area of Concern/Recommendation D, above.