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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. 112¹, Operation and Maintenance Inspection of Southern California Gas Company's (SoCalGas) Cathodic Protection (CP) systems in the South Coast Distribution Area (Inspection Unit) on June 15-19, 2015. The inspection included a review of the Inspection Unit's cathodic protection records for calendar years 2013 and 2014 and random field inspections of pipeline facilities in the Crenshaw and Santa Monica districts. Also, SED staff reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff identified one probable violation of G.O. 112, Reference Title 49 Code of Federal Regulations (CFR), Part 192, which is 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

¹ General Order 112-F was adopted by the Commission on June 25, 2015 in Decision 15-06-044.

Summary of Inspection Findings
2014 SCG South Coast Distribution Inspection
June 15-19, 2015

SED Identified Probable Violation

Title 49 CFR Part 192, Section 192.465(d) – External Corrosion Control: Monitoring

“Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.”

During the field inspection, SED discovered that the Inspection Unit did not follow up on four separately protected service lines in the Crenshaw district as required by 192.465(d). The Inspection Unit found these four service lines were out of tolerance during their 2014 inspections. When SED took reads at these points during the course of their field inspections, they were still out of tolerance. See the following table for the details of the locations.

Service ID	Address	City	Date Inspected	Repair Order Created	Repair Completed
571942	3947 W 110th St.	Inglewood	12/8/2014	12/8/2014	2/17/2016
1129388	10024 S Van Ness Ave.	Los Angeles	8/28/2014	11/21/2014	2/18/2016
2394782	8903 S 6th Ave.	Inglewood	10/29/2014	11/21/2014	2/12/2016
2396074	10826 S Freeman Ave.	Inglewood	11/22/2014	11/22/2014	2/9/2016

SCG stated that during 2014-2015, it was in the process of transitioning from its legacy planning system to the new Construction Planning and Design (CPD) system currently in use. SCG experienced planning delays as the employees learned to use the new system while still completing older projects that had been initiated through the legacy system. Currently, SCG is able to use the CPD system to track and manage any work created by the field and complete the orders. However, SCG did not take timely action to correct these deficiencies. Therefore, SCG is in violation of G.O. 112¹, Reference Title 49 CFR, Part 192, Section 192.465(d).

SCG Response

SoCalGas investigated the four separately protected service lines identified above, and generated repair² or service replacement orders within three months of finding them out-of-tolerance. Unfortunately, as noted by SED, SoCalGas experienced some delays in 2014 and 2015 related to transitioning to a new planning system. There were some temporary losses in productivity as employees learned to use the new system for newly initiated projects while still completing older

² For the service at 10826 S Freeman Ave., SCG initially generated a repair order to insulate the meter set assembly from an above ground electrical short; however, this work did not bring the service into tolerance. The final remediation was to replace this service with plastic, so service replacement orders were ultimately generated for all four services.

projects that had been initiated through the legacy system. This contributed to delays in planning the final remediation for these four services.

SCG Corrective Action

After investigating these four separately protected service lines that were found out-of-tolerance, SoCalGas replaced all of the services with plastic. This work was completed in February 2016.

Since transitioning to CPD and other new SAP-based systems, System Protection supervisors now have new SAP reports that they generate regularly to track and manage any CP-related work created by the field, so that the orders can be completed in a timely manner.