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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 Inspection of Southern California Gas Company's (SoCalGas) operation and maintenance of its cathodic protection (CP) facilities in the Central Coast Distribution Area (Inspection Unit) on August 24-28, 2015. The inspection included a review of the Inspection Unit's cathodic protection records for calendar years 2013 and 2014. This Inspection Unit consists of pipeline facilities in the Simi Valley, Oxnard, and Santa Barbara districts. Also, SED staff reviewed this 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, described in the enclosed "Summary of Inspection Findings". It is described in the "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
2015 SCG Central Coast Distribution Inspection
August 24-28, 2015**

SED Identified Probable Violation

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

“Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months to determine whether the cathodic protection meets the requirements of 192.463.”

SED noted that the Inspection Unit did not have the 2013 Cathodic Protection (CP) inspection records for read point A in package HM 111. SCG showed that its employee took CP reading in 2013 but the data from the CP reading was lost due to a system error. SCG informed SED that it was aware of this system issue and has developed a program to identify other instances of this system error and how to retrieve the lost data. However, at the time of the error, SCG did not have the data retrieval capability. Since SCG could not demonstrate the adequacy of the CP from its 2013 inspection, SCG is in violation of Title 49 CFR, Part 192 Section 192.465(a).

SCG Response

SoCalGas recognizes that in 2013 Read Point A in package HM 111 was completed during the appropriately scheduled inspection cycle; however, the read did not get documented appropriately due to a system error. There can be minor occasions when data is lost while being transferred between two applications. In this instance, a system error caused the CP read data to be lost while being transferred between Click (the system where the employee entered the CP read) and SAP (the data storage system). This was a system issue that could not be replicated to identify the cause of the lost read. Unfortunately, SoCalGas has not been able to retrieve this 2013 CP read data. In 2013 SoCalGas did not have a report to identify CP reads that had no values recorded in the SAP system. In order to address this discrepancy, SoCalGas developed a reporting program to identify such system errors so that appropriate action could be taken.

SCG Corrective Action

In July 2014, a new reporting program was established that allows SoCalGas the ability to generate a report which identifies CP reads that were completed but not recorded in SAP. This enables SoCalGas to conduct research, or reschedule the CP read if necessary, to obtain the value to enter into the SAP system. Training has been provided to employees to generate the report and this report is run regularly to identify if similar system errors occur, and addresses missing data so that the read is documented properly.