

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 22, 2016

Jimmie Cho, Senior Vice President  
Gas Operations and System Integrity  
Southern California Gas Company  
555 West 5<sup>th</sup> Street, GT21C3  
Los Angeles, CA 90013

GI-2015-08-SCG68-02A

**Subject: General Order (G.O.) 112<sup>1</sup> Inspection of Southern California Gas Company's Operation and Maintenance of its Cathodic Protection Facilities in the Central Coast Distribution Area**

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112<sup>1</sup> Inspection of Southern California Gas Company's 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<sup>1</sup>, Reference Title 49 Code of Federal Regulations (CFR), Part 192 described in the enclosed "Summary of Inspection Findings".

Please provide a written response within 30 days of receipt of this letter indicating any updates or corrective actions taken by SCG to prevent reoccurrence of this deficiency. Pursuant to Commission Resolution ALJ-274, SED staff has the authority to issue citations for each violation discussed during the inspection. SED will notify SCG of the enforcement action it plans to take after it reviews SCG's inspection response.

If you have any questions, please contact Michelle Wei, at (213) 620-2780.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno  
Program Manager  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

CC: Michelle Wei, SED/GSRB  
Jeff Koskie, Sempra  
Kan Wai Tong, SED/GSRB

1. General Order 112-F was adopted by the Commission on June 25, 2015 via 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).