

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 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-2015-09- SCG60-02A

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

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112<sup>1</sup> Operation and Maintenance Inspection of Southern California Gas Company's (SCG) Cathodic Protection (CP) Facilities in the Orange County Coast (Inspection Unit) on September 14-18, 2015. The inspection included a review of the Inspection Unit's cathodic protection and odorant records for calendar years 2013 and 2014 and random field inspections of pipeline facilities in the Aliso Viejo, Garden Grove, and Santa Ana districts. SED staff also reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff identified two probable violations of G.O. 112<sup>1</sup>, Reference Title 49 Code of Federal Regulations (CFR), Part 192 during the course of this inspection. SED also made one recommendation during the course of this inspection. These are described in the "Summary of Inspection Findings", which is enclosed with this letter.

Please provide a written response within 30 days of receipt of this letter indicating any updates or corrective actions taken by SCG. 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 Durga Shrestha, at (213) 576-5763.

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: Jeff Koskie, Sempra  
Durga Shrestha, SED/GSRB  
Kan Wai Tong, SED/GSRB  
Matthewson Epuna, 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 Orange County Coast Distribution Inspection  
September 14-18, 2015**

**I. SED Identified Probable Violations**

**1. §192.481 Atmospheric corrosion control: Monitoring**

*“(a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:*

*If the pipeline is located onshore, then the frequency of inspection is at least once every 3 calendar years, but with intervals not exceeding 39 months.”*

During the records review of several Bridges and Spans, SED found that Span #134 was inspected on February 14, 2014 and a note on the inspection record stating that new bridge record was created. Further investigation showed that the span was installed in December 1968 and SCG did not provide any atmospheric corrosion inspection records on this span until February 2014. Apparently, SCG had missed this inspection on this span for 14 times since installation. Therefore, SCG is in violations of 49 CFR §192.481(a).

**2. §192.707 Line markers for mains and transmission lines**

*“(c) Pipelines aboveground. Line markers must be placed and maintained along each section of a main and transmission line that is located above ground in an area accessible to the public.*

*(d) Marker warning. The following must be written legibly on a background of sharply contrasting color on each line marker:*

*(1) The word "Warning," "Caution," or "Danger" followed by the words "Gas (or name of gas transported) Pipeline" all of which, except for markers in heavily developed urban areas, must be in letters at least 1 inch (25 millimeters) high with ¼ inch (6.4 millimeters) stroke.*

*(2) The name of the operator and telephone number (including area code) where the operator can be reached at all times.”*

SCG Standard 223.0075, Section 3.3.1 states

*Line markers must be placed and maintained along each section of a distribution main and transmission line that is located above ground in an area accessible to the public.*

During the field inspection of various aboveground mains, SED staff found that two SCG aboveground pipes/Bridges had line marker warning signs that did not have the right size. On September 16, 2015, during the field inspection of SCG Bridge B001 located at Bay Island, Newport Beach, SED found line markers which were smaller in size than the ones specified in 49 CFR §192.707 (d). Similarly, on September 17, 2015, during the field inspection of SCG Bridge B099 located at Lincoln Ave and Coyote Creek Channel, SED found line markers which were also smaller in size than the ones specified in 49 CFR §192.707 (d). Therefore, SCG is in violations of 49 CFR §192.707 (d).

## **II. Concerns, Recommendations, and Observations Summary**

During field inspection of CP facilities, SED staff observed that the pipe-to-soil reads at the following locations as shown in the table were out of tolerance (low P/S reads):

Area	Point	District	Read, V	Criteria, V
00074-4C	B	Garden Grove	-0.615	-0.850
00164-1A	D	Garden Grove	-0.828	-0.850
00250-4A	C	Garden Grove	-0.786	-0.850
00429-2B	D	Santa Ana	-0.557	-0.850
00447-2B	A	Santa Ana	-0.456	-0.850
00450-4B	D	Santa Ana	-0.447	-0.850
00807-3A	C	Santa Ana	-0.783	-0.850
CP10	N/A	25982 Dana Bluffs	-0.725	-0.850
CP10	N/A	692 Camino De Los Madres	-0.765	-0.850
01306-2A	C	Aliso Viejo	-0.563	-0.850
01286-2A	I	Aliso Viejo	-0.486	-0.850
01166-2A	A	Aliso Viejo	-0.635	-0.850
01034-3A	C	Aliso Viejo	-0.831	-0.850

SCG must take remediation actions promptly to correct the corrosion protection deficiencies for compliance with 49 CFR §192.463.