

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 23, 2015

Mr. 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

**GI2015-04-SCG67-02A**

**Subject: General Order (G.O.) 112-E Operation and Maintenance Inspection of Southern California Gas Company's Cathodic Protection Facilities in the Northwest Region North Valley Area**

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112-E Operation and Maintenance Inspection of Southern California Gas Company's (SCG) Cathodic Protection (CP) Facilities in the Northwest Region North Valley Area Inspection Unit (Valencia, Bradford, and Lancaster) on April 13-17, 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 Victorville and Needles transmission 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 three probable violations of G.O. 112-E, Reference Title 49 Code of Federal Regulations (CFR), Part 192. SED also made one recommendation- during the course of this inspection. The probable violations and recommendation are noted in the attached "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. 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 Mahmoud (Steve) Intably, at (213) 576-7016.

Sincerely,

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

*Kenneth B 7/23/15*

CC: Mahmoud (Steve) Intably, SED/GSRB, Dennis Lee, SED/GSRB, Kan Wai Tong, SED/GSRB, and Jeff Koskie, Sempra Energy Utilities

**Summary of Inspection Findings**  
**2015 SCG Northwest Region North Valley Inspection Unit (Valencia, Bradford, and Lancaster)**  
**April 13-17, 2015**

**I. SED Identified Probable Violations**

**1. Title 49 CFR, Part 192 §192.353 Customer meters and regulators: Location.**

*(a) Each meter and service regulator, whether inside or outside a building, must be installed in a readily accessible location and be protected from corrosion and other damage, including, if installed outside a building, vehicular damage that may be anticipated. However, the upstream regulator in a series may be buried.*

*(b) Each service regulator installed within a building must be located as near as practical to the point of service line entrance.*

*(c) Each meter installed within a building must be located in a ventilated place and not less than 3 feet (914 millimeters) from any source of ignition or any source of heat which might damage the meter.*

*(d) Where feasible, the upstream regulator in a series must be located outside the building, unless it is located in a separate metering or regulating building.*

**A. SCG Standard 185.0008 Meter Guard - Installation, Section 2, Procedure, 2.1, General, 2.1.1 states**

*“Meter guards are required where aboveground MSAs are within 3 feet of driveways, roadways, alleys, parking stalls, wheel bumpers, trash collection areas and areas where industrial equipment (forklifts, loaders, etc.) may operate.”*

During the field inspection of SCG Cathodic Protection (CP) facilities, SED staff observed that SCG customer meters, regulators, and aboveground facilities at 2801 San Fernando Rd and 1301 E. Ave I, space number 77 Via Estrada and Bonita (Friendly village MHP) were exposed to vehicular traffic and SCG did not provide adequate protection barriers on each side of this exposed aboveground facilities.

SCG failed to identify and protect the customer meters, regulators, and aboveground facilities at the aforementioned locations from vehicular traffic damage. Therefore, SCG is in violation of G.O. 112-E, Reference Title 49 CFR Part 192, Section 192.353(a).

**B. SCG Gas Standard 185.0300 MSA - Installing, Rebuilding and Inspections, Section 6.1.1 states:**

*“Each regulator at a new business or at an existing site that might release gas in its operation must be vented to the outside atmosphere.”*

During the field inspection of SCG Cathodic Protection (CP) facilities, SED staff observed that SCG service regulator at 44603 Figs was enclosed and not vented to the outside atmosphere.

SCG failed to ventilate the enclosed service regulator to the outside atmosphere. Therefore, SCG is in violation of G.O. 112-E, Reference Title 49 CFR Part 192, Section 192.353(d).

**2. §192.13(c) What general requirements apply to pipelines regulated under this part?**

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

SCG Gas Standard 223.0100 Pipeline Integrity, Section 7 Abnormal Operating Conditions requires corrective action when a gas meter buried in earth or paving.

During the field inspection of SCG Cathodic Protection (CP) facilities, SED staff observed that SCG customer gas meter (Meter number 5002742) at 1301 E. Ave I, Via Del Oro Space 25 (Friendly Village MHP), was in contact with the ground (atmospheric corrosion).

SCG failed to follow its Gas Standard and take corrective action at aforementioned location where the customer meter in contact with the ground (atmospheric corrosion). SED found SCG in violation of G.O. 112-E, Reference Title 49 CFR Part 192, Section 192.13(c).

**II. Concerns and Recommendations**

SED observed during field inspection of CP facilities that the CP reads at the following locations were out of tolerance (low CP read):

- A. 44603 Figs CP read was -0.337V (meter number 3690797)
- B. LAN013-F CP point B was -0.405V
- C. 25130 Avenida Randel was - 0.842V
- D. CC0464-A 21020 Lodi Place Lancaster was -0.842V and surface atmospheric corrosion
- E. C 2070N-C 227419 Cherry Creek was -0.55V

**SED directs SCG to take the appropriate measures to bring the low CP reads into compliance with 49 CFR §192.463.**