

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 11, 2017

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

GI-2017-05-SCG-52-01C

Subject: SED Closure Letter for the General Order (G.O.) 112 Inspection of Southern California Gas Company's Transmission Coastal Area (Inspection Unit)

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed Southern California Gas Company's (SoCalGas) response letter dated July 12, 2017 that addressed one probable violation and two areas of concern identified during the G.O. 112¹ Inspection of SoCalGas' Transmission Coastal Area (Inspection Unit) on May 1-5, 2017.

Attached is a summary of SED's inspection findings, SoCalGas' response to SED's findings, and SED's evaluation of SoCalGas' response to the identified probable violation and areas of concern.

This letter serves as an official closure of the 2017 G.O. 112 Inspection of SoCalGas' Transmission Coastal Area on May 1-5, 2017.

If you have any questions, please contact Shuai "James" Zhang at (415) 603-1310 or email at james.zhang@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Dennis Lee".

Dennis Lee, P.E.
Program and Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

CC: Shuai "James" Zhang, SED/GSRB
Troy A. Bauer, Sempra Energy Utility
Terence Eng, SED/GSRB
Kan Wai Tong, SED/GSRB
Matthewson Epuna, SED/GSRB
Kenneth Bruno, SED/GSRB
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¹ General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 15-06-044.

Summary of Inspection Findings
2017 SoCalGas Transmission Coastal Area – Inspection Unit
(Goleta and Ventura)
May 1-5, 2017

I. SED Identified Probable Violation

1. Title 49 CFR § 192.481(a) states:

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

Onshore: At least once every 3 calendar years, but with intervals not exceeding 39 months.”

During SED’s record review of Bridge and Span compliance inspection, SED noted that SoCalGas did not complete a compliance span inspection of L-404@ M.P. 28.32 Rock Hill on 5/13/2013 (Work Order #5187451) because the span was inaccessible due to poison oak. The previous inspection of the span was completed on 5/24/2010 (Work Order #3906141). SoCalGas inspected the span next on 3/9/2016 (Work Order #6048843), nearly 6 years after its previous inspection. Therefore, SoCalGas is in violation of General Order 112-F, Reference Title 49 CFR, Part 192, Section §192.481(a).

RESPONSE:

The bridge & span inspection was not completed due to the presence of poison oak, however it was inspected by other methods and deemed safe as described below.

SoCalGas disagrees on the span not being inspected in the last 6 years. The segment referenced on L404 was smart pigged in April of 2014 and hydro tested in May of 2015. SoCalGas also conducted pipeline patrol for the time period 2013-2016 (April 8-2013, April 16-2014, and April 13-2015). Instrumented Survey was conducted in 2016 which verified that the pipeline is in good operating condition and not leaking.

CORRECTIVE ACTION:

SoCalGas will evaluate the current form completion process in order to prevent a recurrence. On July 31, 2017, SoCalGas further elaborated the response as below:

A training session with all Transmission supervision to ensure the understanding and expectation to review, sign and follow up on all compliance span work orders. This would include but not limited to submitting a Technical Service Request to Gas Transmission Technical Service that a span is inaccessible to complete compliance inspection and notifying the District Operating Manager. Additionally, SoCalGas Transmission, in an ongoing process improvement program has developed a new form that will ensure that the bridge and span form will be completed during each bridge and span inspection. The new form will be implemented in 2018.

SED’s Conclusion:

SED has reviewed SoCalGas’ response and documents of inspections by other methods from 2014 through 2016. SED has concluded that the other inspections provided in SoCalGas’ response do not meet all the requirements addressed in Title 49 CFR §192.481. As listed in Title 49 CFR §192.481(b), SoCalGas should also pay particular attention to other potential concerns during its bridge and span inspections.

Title 49 CFR § 192.481(b) states:

“During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in span over water.”

SED has opted not to impose a fine or penalty since SoCalGas has created necessary corrective actions and the violation did not create any hazardous conditions for the public and utility employees. However, recurrence of the same violation in the future will result in an enforcement action.

II. Areas of Concern and Recommendations

1. While performing a field inspection along L-37 @ M.P. 24.98, SoCalGas noted a line marker was missing. A SoCalGas technician indicated that he would replace a new line marker and mark “No” in the Bridge & Span Inspection Checklist when asked “Are there any markers missing...?”. The technician should have marked it as “Yes” on the checklist due to its as-found condition and then state corrective action on the checklist (i.e. missing line marker replaced during inspection). SED recommends that SoCalGas technicians record the as-found condition and corrective actions while conducting operation and maintenance activities.

RESPONSE:

During the recent inspection SoCalGas installed several additional pipe line markers. Maximo work orders always notes as left conditions for any work order performed. SoCalGas will review SED’s recommendation for possible implementation of documenting as-found condition and stating corrective action on the inspection work order.

SED’s Conclusion:

SED has reviewed SoCalGas’ response and accepts the proposed corrective actions. However, SED may review the implementation of the proposed corrective actions during future inspections.

2. SED inspected a span on L-404 @ M.P. 11.05 (Darling Rd & Wells) and noted that the top half of the span was covered by a metal casing while the bottom half being exposed to the atmosphere. One end of the casing seemed to be very close or touching the span pipeline. SED recommends SoCalGas assess the conditions and determine if it is a shorted casing.

RESPONSE:

SoCalGas conducted an inspection of the span in question and found casing is not shorted.

SED’s Conclusion:

SED has reviewed SoCalGas’ response documents and accepts the corrective actions that it has implemented.