

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 29, 2017

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

GI-2017-07-SCG58-02ABC

Subject: General Order (G.O.) 112-F Operation and Maintenance Inspection of Southern California Gas Company Facilities in the San Gabriel Valley Distribution Area

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112-F Comprehensive Operation and Maintenance Inspection of Southern California Gas Company's (SCG) San Gabriel Valley Area (Inspection Unit) on July 31 – August 04, 2017. The inspection included a review of the Inspection Unit's Patrolling, Leakage Survey, and Odorant records for calendar years 2013, 2014, 2015, and 2016; Corrosion Control records for calendar years 2015 and 2016; Regulator Stations, Vaults, and Valves for calendar year 2016; Safety-Related Condition Reports for calendar years 2014, 2015, and 2016; and field inspections of pipeline facilities in the Alhambra, Pasadena, and City of Industry Distribution Districts. SED's staff also reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED's staff identified two probable violations during this inspection, which are described in the enclosed "Summary of Inspection Findings".

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by SCG to address the probable violations noted in the Summary of Inspection Findings. If you have any questions, please contact Ha Nguyen, at (213) 576-5762.

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: Ha Nguyen, SED/GSRB
Matthewson Epuna, SED/GSRB
Troy Bauer, Sempra
Sophia Ngo-Conn

Summary of Inspection Findings

**2017 SCG San Gabriel Valley Distribution Area - Inspection Unit
(Alhambra, Pasadena, and City of Industry)
July 31 – August 4, 2017**

SED Identified Probable Violations

1. Title 49 Code of Federal Regulations (CFR), Part 192 §192.13 What general requirements apply to pipelines regulated under this part?

§192.13 What general requirements apply to pipelines regulated under this part states:

“(c) 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 (GS) 223.0100 – Leakage Survey §10.2.1.4 states in part:

“All below ground leaks are noted in red and marked with an “X” ...”

During record review, SED noted that SCG discovered a Code 3 gas leak in 2014 and appropriately marked it with an X in its 2014 leak survey map (LA 720-4). However, the Inspection Unit failed to mark the Code 3 leak with an X on the map during its 2015 annual re-evaluation of Code 3 gas leaks that were not repaired, as required by its GS 223.0100 section 10.2.1.4. Therefore, SCG is in violation of General Order 112-F, Reference Title 49 CFR, Part 192 §192.13(c).

2. Title 49 CFR, Part 192 §192.706 – Transmission lines: Leakage surveys

§192.706 Transmission lines: Leakage surveys states:

“Leakage surveys of a transmission line must be conducted at intervals not exceeding 15 months, but at least once each calendar year. However, in the case of a transmission line.....”

SED noted that approximately 1000 feet of Line SL31-08-F that was defined as transmission line (operating over 20% SMYS on map LA 593-20) was not leaked survey in accordance with leakage survey requirements for transmission pipelines during the calendar year 2014. Therefore, SCG is in violation of General Order 112-F, Reference Title 49 CFR, Part 192 §192.706.