

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 5, 2018

GI-2017-05-SCG65-02ABC

Jimmie Cho, Senior Vice President
Gas Operations and System Integrity
Sempra Energy Utilities
555 W 5th Street, GT21C3
Los Angeles, CA 90013

SUBJECT: Closure letter for General Order (G.O.) 112-F Comprehensive Inspection of Southern California Gas Company's Northwest San Joaquin Valley Distribution Area

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed Southern California Gas Company's response letter dated April 5, 2018 that addressed one probable violation and six recommendations identified during the GO 112-F inspection of Southern California Gas Company's (SoCalGas) Northwest San Joaquin Valley Distribution Area on May 15-19, 2017.

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

This letter serves as an official closure of the 2017 Comprehensive Inspection of SoCalGas's Northwest San Joaquin Valley Distribution Area.

If you have any questions, please contact Mahmoud (Steve) Intably, at (213) 576-7016.

Sincerely,

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

Dennis Lee, P.E.
Program and Project Supervisor - GSRB
Safety and Enforcement Division

CC: Mahmoud (Steve) Intably, SED/GSRB, Matthewson Epuna, SED/GSRB, Kan Wai Tong, SED/GSRB, Kenneth Bruno, SED/GSRB, Kelly Dolcini, SED/GSRB, and Troy Bauer, Sempra Energy Utilities

Summary of Inspection Findings

2017 SoCalGas' Northwest San Joaquin Valley Distribution Inspection May 15-19, 2017

I SED Identified Probable Violation

Title 49 Code of Federal Regulation (CFR), Part 192, §192.353 Customer meters and regulators: Location.

§192.353(a) Customer meters and regulators states in part:

(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.

SoCalGas Gas Standard 185.0008 Meter Guard - Installation, Section 2, Procedure, 2.1, General, 2.1.2 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, SED's staff observed that the gas meter located at 212 N Oakview Ave, in the city of Farmersville was exposed to vehicular traffic.

SoCalGas did not identify and install appropriate barriers to protect the customer meter, regulator, and aboveground facilities from vehicular traffic at the aforementioned location. Therefore, SoCalGas is in violation of G.O. 112-F, Reference Title 49 CFR, Part 192 §192.353(a).

SoCalGas's Response:

A meter guard was installed at the identified location on July 3, 2017.

Corrective Actions:

A dedicated program is being launched as part of a multi-year effort to address the locations identified via MSA inspection as requiring meter guards.

SED's Conclusion:

SED has reviewed SoCalGas' response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

II Concerns and Recommendations

1. Title 49 Code of Federal Regulation (CFR), Part 192 §192.321 Installation of Plastic Pipe

§192.321(a) Installation of Plastic Pipe states:

“Plastic pipe must be installed below ground level except as provided by paragraphs (g) and (h) of this section.”

§192.321(g)(1) states:

“The operator must be able to demonstrate that the cumulative aboveground exposure of the pipe does not exceed the manufacturer's recommended maximum period of exposure or 2 years, whichever is less.”

SoCalGas Gas Standard 182.0140 PE Plastic Pipe-General Application Requirements, Section 1.2.3.1 bullet item one states:

“The cumulative aboveground exposure of the pipe does not exceed two years”

During the field inspection of SoCalGas' Visalia Base, SED staff observed several ½" PE pipe rolls with manufacturing dates October 29, 2013 and July 16, 2013 were stored outside along with other PE pipes that had manufacturing years 2015, 2016, and 2017. SED has concern that long term exposure of plastic pipe to ultraviolet light can affect the performance of the pipe. The plastic pipes should not be exposed to ultraviolet light for more than the plastic pipe manufacturer's recommended maximum period of exposure or a maximum of two years, whichever is less. Therefore, SED recommends that SoCalGas take the necessary steps to ensure that the expired PE pipes should be separated and deposited before they are used for transporting gas.

SoCalGas's Response:

The out-of-date pipe in question was meant for disposal and was not being stored for future use. A contractor dropped off the pipe for disposal after the monthly base inspection had been completed. The pipe has since been properly disposed of.

To avoid possible confusion in the future, a designated out-of-date drop off area has been established on the opposite side of the base from the usable pipe. In addition, employees check pipe dates before using them to avoid using expired pipe

SED's Conclusion:

SED has reviewed SoCalGas' response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

2. During Base inspection, SED' staff reviewed SoCalGas' "Emergency Binder" and noted that some of the procedures were not up-to-date. In addition, the "Emergency Binder" needs to be reviewed annually and updated as needed. SED recommends that SoCalGas review and update the "Emergency Binder" as needed but no less than once a year to ensure the most up to date procedures are on file in the "Emergency Binder".

SoCalGas's Response:

SoCalGas disposed of the “hard copy” Emergency Binder located at Visalia Base the same day this recommendation was noted because the material is available electronically.

The Emergency Binder is available electronically in three ways:

1. It is uploaded electronically to management employees’ computer hard drives on a quarterly basis,
2. It is available through the company document library system, and
3. It is saved onto a thumb drive and kept onsite at the base, with a process in place to update the thumb drive monthly as documents are updated.

SED’s Conclusion:

SED has reviewed SoCalGas’ response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

3. SoCalGas Gas Procedure 104.0195 MST Air Purification System (Blue Air Panel), Section 1.4 states:

“A monthly calibration check of the Carbon Monoxide (CO) sensor must be performed and recorded”

And 5.1 states:

“A record of the monthly inspection and calibration of the MST Air Panel shall be kept with the unit and documented at the district”

During Visalia Base inspection on May 18, 2017, SED staff noted that SoCalGas failed to perform the monthly inspection and calibration on the MST Air Panel unit CT70751. SED recommends that SoCalGas takes appropriate remedial action to ensure that the MST Air Panel unit’s inspected as required by the SoCalGas’ Gas Procedure 104.0195.

SoCalGas’s Response:

The MST Air Panel unit CT70751 has been inspected and calibrated, and signed off in the log book and tag.

Moving forward, a supervisor will check both the log book and device tag monthly to verify that the inspection and calibration have been completed, and that both the log book and device tag have been signed.

SED’s Conclusion:

SED has reviewed SoCalGas’ response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

4. SoCalGas Gas Standard 184.0250 Halt Tool-Gas emergency Leak Clamp, Section 3.3 states:

“It is the responsibility of the District/Base to ensure the Halt Toll is maintained and operating properly before each use. This tool has been changed to a simple hydraulic system and should be checked monthly with the rest of the base emergency equipment”

During Bakersfield Base inspection on May 19, 2017, SED staff noted that the hydraulic Holt Tool leak clamp was not inspected on a monthly basis. SED recommends that SoCalGas take appropriate remedial action to ensure that the hydraulic Holt Tool leak clamp inspected as required by the SoCalGas’ Gas Standard 184.0250.

SoCalGas’s Response:

The Halt Tool leak clamp has been inspected and was signed off in the log book and tag.

Currently, the Halt Tool is no longer being used by SoCalGas, so the Gas Standard referenced above was cancelled on March 1, 2018. The Halt Tool was returned to Pico Rivera for disposal.

SED’s Conclusion:

SED has reviewed SoCalGas’ response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

5. SoCalGas’ Gas Standard 184.0335 Steel Pipe Squeezer 6” through 12”, Section 4.7.1 requires a monthly inspection of the Steel Pipe Squeezer. During Bakersfield Base inspection on May 19, 2017, SED staff noted that SoCalGas did not inspect the Steel Pipe Squeezer tool to ensure that the pipe squeezer and equipment are in good working condition. SED recommends that SoCalGas take appropriate remedial action to ensure the pipe squeezer tool inspected in accordance with SoCalGas’ Gas Standard 184.0335.

SoCalGas’s Response:

The 6” through 12” steel pipe squeezers are inspected monthly and are operated on steel pipe at six-month intervals in accordance with Gas Standard 184.0335. The referenced Gas Standard does not require the company keep records of these inspections, as noted in Section 6 of the Gas Standard. For this reason, SoCalGas is operating in accordance with Gas Standard 184.0335.

SED’s Conclusion:

SED has reviewed SoCalGas’ response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

6. SoCalGas’ Gas Standard 107.0287 GMI Gasurveyor-Combustible Gas Indicator (CGI), Section 4.3.4.2.1.2 states:

“Block the end of the sample line/probe ensuring the “Sample Fault” flag appears, (see Figure 8).”

And the note states:

“Using latex or Nitrile glove may be the easiest method to block the end of the sample line/probe since there are multiple sample points on the Bar Hole probe”

SED observed SoCalGas' crew failed to follow the instruction listed above when testing the probe for cracks or split before using it to ensure it is in good working condition. SED recommends that SoCalGas take the necessary steps to ensure that its employees comply with its procedure requirements prior to check for the presence of gas.

SoCalGas's Response:

On May 19, 2017, all users of the GMI Gasurveyor-Combustible Gas Indicator at Visalia Base were re-trained on the testing process, with emphasis placed on the use of latex or Nitrile glove in performing a "sample fault" operation with the associated probe. A copy of this training record was provided to the CPUC.

In addition, the company will be sending out a company-wide bulletin to remind employees to complete the steps identified above prior to using the GMI Gasurveyor-Combustible Gas Indicator.

SED's Conclusion:

SED has reviewed SoCalGas' response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.