

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 22, 2018

GI-2017-10-SCG-62-02C

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

SUBJECT: : SED's closure letter for the General Order (GO) 112-F Inspection of Southern California Gas Company's Mountain Pass Distribution Area

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Southern California Gas Company's (SCG) Mountain Pass Distribution Area (Inspection Unit) on October 2 through October 6, 2017. The inspection included a review of the Inspection Unit's Patrolling, Leakage Survey, and Odorant records for calendar years 2013 through 2016 and field inspections of pipeline facilities in the San Bernardino, Beaumont, and Rim Districts. SED staff also reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

A summary of the inspection findings documented by the SED, SCG's response to SED's findings, and SED's evaluation of SCG's response for each finding outlined in the "summary of inspection findings".

This letter serves as the official closure of the 2017 GO 112-F inspection of Southern California Gas Company's Mountain Pass Distribution Area, and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program or a formal proceeding.

Thank you for your cooperation in this inspection. If you have any questions, please contact Jason McMillan at (916) 928-2271 or by email at Jason.McMillan@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: Troy Bauer, SCG/Pipeline Safety & Compliance;
Aimee Cauguiran, SED; Kenneth Bruno, SED;
Kan Wai Tong, SED; Kelly Dolcini, SED

Summary of Inspection Findings

I. Probable Violations

A. SCG Internal Audit Findings

No exceptions were listed within the San Bernardino, Beaumont, or Rim Districts.

B. SED Findings

Title 49 CFR, Part 192 §192.353(a) states in part:

“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.”

During the field portion of the inspection, SED observed the following meter set assemblies (MSAs) at three different addresses (within the same leak survey map) that were unprotected from possible vehicular damage:

- 1772 Miranda Lane, Beaumont
- 1785 Miranda Lane, Beaumont
- 856 Liam Way, Beaumont.

According to SCG, the MSAs were installed on 06/04/2004, 01/15/2014, and 07/17/2004 respectively.

Two of these MSAs were installed more than ten years ago, and SCG should have identified the need for protection of the MSA through their continuing surveillance program. All three MSAs were located in areas susceptible to vehicular damage and thus required protection upon installation. Therefore, this SCG’s Inspection Unit is in violation of G.O. 112-F, Reference Title 49 CFR, Part 192 §192.353(a).

SCG’s Response

“SoCalGas initiated work orders for the installation of meter guards at the aforementioned locations.

CORRECTIVE ACTION:

SoCalGas executed work orders and installed meter guards at;

- *1772 Miranda Lane, Beaumont (SAP #54-207190)*
- *1785 Miranda Lane, Beaumont (SAP #54-207930)*
- *856 Liam Way, Beaumont (SAP #54-207966)*

The Abnormal Operating Condition policy, as well as Gas Standard 185.0008 / Meter Guard Installation Requirements, was reviewed with the Beaumont field employees to

reinforce the importance of identifying and reporting AOCs found at the Meter Set Assembly (MSA).

In addition to Gas Operations and Customer Field employee's being required to inspect MSA's for AOC's, SoCalGas recently implemented the Meter Set Assembly (MSA) Inspection Program. The program's sole purpose is to provide a thorough MSA inspection process; including verifying the MSA is not susceptible to vehicular damage per DOT requirements. Included in the training for the Meter Inspection Representative (MIR) is the review of Gas Standard 185.0228 Meter Set Assembly Inspections – Section 7 / Meter Protections.”

SED's Conclusion

SED has reviewed SCG's response and accepts the proposed corrective actions and program to thoroughly inspect MSAs and identify the MSA's that may be exposed to vehicular damage. However, SED may review the implementation of these stated corrective actions during future inspections.

II. Areas of Concerns and Recommendations

During the field portion of the inspection, SED observed a distribution pipe span under a bridge (span B01) which was not marked with any identification along the exposed pipe. This span ran alongside several other exposed pipes of various utilities, and looked very similar to them. SED reviewed SCG's Procedure 184.12: "Inspection of Pipelines on Bridges and Spans" and noted that labeling or stenciling on the pipe is not part of the "Bridge Inspection Criteria and Required Actions." SED's concern is that in areas where the gas pipeline runs parallel to other utility lines, confusion may occur and utility workers could erroneously inspect, or possibly perform work on, the wrong line. SED recommends marking the exposed pipe span with some type of identification, or label, to reduce the possibility of a utility worker confusing it for another type of line. Furthermore, SED recommends that SCG incorporate a requirement to inspect exposed distribution pipes for identification or markings on the pipe itself, especially in places where the pipe is in close proximity to other utility lines, or in areas where the pipeline markers may not be visible.

SCG's Response

“SoCalGas disagrees with these two SED recommendations for a couple of reasons. First, SoCalGas currently complies with Title 49 CFR, Part 192 §192.707(c) which states in part:

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

In addition, SoCalGas employees are provided the training and tools necessary for them to properly identify our assets. Furthermore, if a SoCalGas employee is not comfortable that he/she can properly complete an inspection, they are trained to “stop-the-job” and request assistance from another employee or their immediate supervisor. For these reasons, SoCalGas does not believe that these two recommendations should be adopted.”

SED's Conclusion

SED would like to clarify that “utility workers” includes personnel not employed by SCG, such as public works employees, or other companies and contactors who have an interest in the pipes that run alongside SCG’s span. SED’s recommendation was made in the interest of damage prevention by entities other than SCG. Additionally, SED points out that the GPTC Guidance also recommends that consideration be given “[i]f multiple pipeline facilities are within the same right-of-way or in the same area” and that “each operator should mark its facilities in a way to eliminate confusion¹”.

SED has made its recommendation and recognizes that it is SCG’s prerogative whether to follow recommendations that are presented outside of the prescribed compliance framework. Nonetheless, SED will continue to monitor the effectiveness of SCG’s current procedures in maintaining safe operation and preventing damage on its pipeline facilities.

¹ GPTC GM Appendix G-192-13. Considerations to minimize damage by Outside forces, Section 3.1(b).