

## 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 5<sup>th</sup> Street, GT21C3  
Los Angeles, CA 90013

GI-2017-07-SCG59-03B

**Subject: General Order (G.O.) 112-F Operation and Maintenance Inspection of Southern California Gas Company's Leakage Surveys program in the Orange North Distribution Area**

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a G.O. 112-F, Operation and Maintenance Inspection of Southern California Gas Company's (SCG) leakage survey program in the Orange North Distribution Area (Inspection Unit) on July 17-21, 2017. The inspection included a review of the Inspection Unit's leak survey and patrolling records for calendar years 2013 to 2016 and field inspections of pipeline facilities in the Anaheim, Whittier, Downey, and La Jolla districts. Also, SED's staff reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED's staff identified two violations and made two recommendations which are described in the enclosed "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.

If you have any questions, please contact Michelle Wei, at (213) 620-2780 or by email: [miw@cpuc.ca.gov](mailto:miw@cpuc.ca.gov).

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: Michelle Wei, SED/GSRB  
Troy Bauer, Sempa  
Kan Wai Tong, SED/GSRB

**Summary of Inspection Findings  
2017 SCG Orange North Distribution Inspection  
July 17-21, 2017**

**SED Recommendations**

**I. SED's Identified Probable Violations**

**1. Title 49 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 Procedure 223.0100 – Leakage Survey §10.2.1.3**

*“The leak surveyor is required to bracket the completed area(s) they surveyed for that day on the map using a blue pen. It is also required for them to include their initials and the date the survey was performed on each pipeline segment.”*

The Inspection Unit was unable to provide the hardcopies of 10 leak survey maps during record review. SED acknowledged that SCG's Leakage Survey procedure 223.0100, section 11.1 states that records are to be documented using SAP and that the Inspection Unit did provide the SAP records. However, SCG's procedure states that the leak surveyor will document his progress using the map. The Inspection Unit was unable to provide documentation to show SED that they followed their procedure for these leak surveys. Therefore, SCG is in violation of General Order 112-F, Reference Title 49 CFR, Part 192 §192.13(c).

**II. SCG's Identified Probable Violations**

**2. Title 49 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 Procedure 223.0100 – Leakage Survey §10.2.1.4**

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

SCG discovered and notified SED that the Inspection Unit failed to mark a Code 1 leak on the map during the 2014 3-year leak survey program in DOWNEY District (DOW 104 leak ID 1463580) as required in their procedure. Though the leak was repaired within the

required time frame, it was not correctly documented. Therefore, SCG is in violation of General Order 112-F, Reference Title 49 CFR, Part 192 §192.13(c).

### **III. SED's Concerns and Recommendations**

1. SED noted that there is inconsistency on how SCG employees report the pipeline marker conditions during patrolling or bridge/span inspection activities. During these inspections, pipeline markers are often discovered missing or damaged when the employees arrive on site. However, employees are usually able to replace or repair them during their inspection without having to create any kind of follow up work order. When this happens, some employees do not note any deficient conditions on their work order but others do. Therefore, SED recommends that SCG standardize its reporting requirements and communicate those requirements to the employees involved with these activities.
2. During field inspections, SED noted that an SCG employee conducting an odorant test failed to recognize that his pressure gage was not functioning. This did not appear to affect the test itself in this case. However, according to SCG procedure 189.005 "Operation of Odometer", the test pressure should be maintained at 5 psig or less in order to ensure the safety of the equipment and employees. Therefore, SED recommends that the Inspection Unit ensure that its employees only use functional equipment during an inspection.