SoCalGas
A Sempra Energy utility

Troy A. Bauer
Pipeline Safety and Compliance Manager
555 W. Fifth Street, ML GT11A6
Los Angeles, CA 90013
Phone: 909-376-7208

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Mr. Ken Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission
320 W. Fourth Street, Suite 500
Los Angeles, CA 90013

Dear Mr. Bruno:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) conducted a General Order (G.O.) 112-F Comprehensive Operation and Maintenance Inspection of Southern California Gas Company's (SoCalGas) Northwest North Valley Distribution Area (Inspection Unit) on May 7-18, 2018. The inspection included a review of the Inspection Unit's leak survey and patrolling records for calendar year 2017, cathodic protection (CP) records for calendar years 2015 to 2017, M&R and critical valves records for calendar years 2016-2017, and field inspections of pipeline facilities in the Branford, Valencia, and Lancaster districts. SED staff also reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED's staff noted two probable violations and requested a written response form the utility within 30 days. Attached are SoCalGas' written responses.

Please contact Troy A. Bauer at (909) 376-7208 if you have any questions or need additional information.

Sincerely,

Troy Bauer/AW

Troy A. Bauer

CC: Michelle Wei, SED/GSRB
Kan Wai Tong, SED/GSRB
Kelly Dolcini, SED/GSRB

Summary of Inspection Findings
2018 SCG North Valley Distribution Inspection
May 7-18, 2018

I. SED Identified Probable Violations

1. Title 49 CFR Part 192 §192.465(a) – External Corrosion Control: Monitoring

"Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period."

During record review, SED noted that the Inspection Unit did not survey two separate service lines that are under "short sections" cathodic protection (CP) systems that are required to be inspected every 10 years pursuant to Part 192 Section 192.465(a). See the following table for further information.

District	Service ID	Address	City	Date last inspected	Date inspected
Branford	02323042	13525 Pinney	Pacoima	8/14/2006	5/11/18
Branford	00297065	240 Providencia	Burbank	4/9/2007	5/11/18

On May 11, 2018, SCG's CP technician tested these two service lines and indicated that the read was within tolerance. SCG's record indicated that another CP technician visited the 13525 Pinney St location and took a CP read at the wrong riser and marked it as replaced in his records. SED visited this site during the field inspections and noted that there were two risers on the same property. One of the risers was an Anodeless riser and the other was steel riser that required the cathodic protection. Also, SCG misidentified the riser at 240 Providencia St as an Anodeless riser during its 2017 routine CP inspection. The Inspection Unit failed to conduct the CP monitoring within the 10 years interval. Therefore, SCG is in violation of G.O. 112-F, Reference Title 49 CFR, Part 192, Section §192.465(a). SED also identified 2 other risers that were misidentified as Anodeless risers, but were not out of the compliance window. See the table below for more information.

District	Service ID	Address	City	Date added to CP program	Date inspected
Branford	03403207	11133 O'Melveny Ave	San Fernando	4/1/2012	5/11/18
Branford	02732138	5225 Blakeslee	North Hollywood	8/24/14	5/23/18

RESPONSE:

SoCalGas investigated the four locations identified by SED above and determined that the technicians visiting these sites had incorrectly made the selection of "Not required / service replaced" during the visit. SoCalGas sent a System Protection Technician out to each site, to verify that the services had not been replaced and to obtain the CP reads. Each of the four locations was found in tolerance. The CP records for these four locations have been corrected.

CORRECTIVE ACTION:

This year, Northwest Region made a change to the way it manages CP10s (separately protected short sections of mains, not in excess of 100 feet, or separately protected service lines). Prior to 2018, Construction Technicians in the Distribution Field Operations organization conducted the CP10 reads and completed or initiated the remediation work associated with CP10s that were found to be out of tolerance. This year, that CP10 work was moved to the System Protection department, and it is now completed by System Protection Technicians or Specialists. This change allows System Protection management to more closely monitor the CP10 work and the employees completing it.

Exception reporting is one way that the System Protection department manages CP10 work. When an employee selects "Not required / service replaced" for a CP10 during the scheduled read, the CP10 will be added to an exception report. The System Protection office then reviews the report, and confirms through service history records, whether the service was replaced. If the service replacement cannot be confirmed, another employee is sent back out to obtain a CP read or gather additional information.

The System Protection management team also conducts CP10 refresher training for all employees conducting CP10 reads. This refresher includes instructions on how to recognize different riser and service types.

2. Title 49 CFR Part 192 §192.465(d) – External Corrosion Control: Monitoring

"Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring."

During field inspection, SED noted that the Inspection Unit did not take prompt action to remediate a deficiency on a "CP-10" section of pipe. On September 20, 2016, SCG's CP technician took read a CP read at a gas facility on 1520 5th St, San Fernando in Valencia District (service ID # 03585020) that indicated -0.60 Volts, which is below the -0.85 Volts criteria. SED's staff and SCG's staff visited this site and SCG took a CP read that indicated -0.486 Volts. SCG did not provide SED any evidence of remedial action since its discovery of the deficiency. Therefore, SCG is in violation of G.O. 112-F, Reference Title 49 CFR, Part 192, Section §192.465(d).

RESPONSE:

After this CP10 was found out-of-tolerance on September 20, 2016, a service replacement project was initiated on September 26, 2016; however, this replacement project was not

completed promptly. When the site was visited on May 18, 2018, the CP10 was tested with a one pound anode. The test indicated that an anode replacement would bring the area into tolerance, so an anode was installed, and the CP10 was read at -1.267 Volts.

When this CP10 was initially read out-of-tolerance in September 2016, Gas Standard 186.0180, Cathodic Protection Test Orders – Monitoring Isolated Facilities, did not specify a timeframe for remediation. This has been clarified with the Gas Standard revision discussed below.

CORRECTIVE ACTION:

As mentioned above, Northwest Region made a change to the way it manages CP10s this year. CP10 work was moved from Distribution Field Operations to the System Protection department. This change allows System Protection management to more closely monitor the CP10 work and the employees completing it.

One way management now monitors the CP10 work is by tracking remediation orders. If a CP10 is found out of tolerance during a scheduled read and cannot be brought into tolerance during that visit, a remediation order is initiated to address it, such as a service replacement. The progress of this work is monitored by System Protection management.

In addition, in November 2016, SoCalGas revised Gas Standard 186.0180, Cathodic Protection Test Orders – Monitoring Isolated Facilities to clarify prompt remedial action, adding the following section:

> The remediation process for Isolated Facilities (Ten Percenters - 10%) shall be addressed in the same manner as if they are annual reads and the variation is expected to be corrected within 15 months from the time it is discovered in accordance with **GS 186.0135**, *Operation and Maintenance of Cathodic Protection Facilities*.