

PUBLIC UTILITIES COMMISSION505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

November 15, 2022

GI-2022-02-SCG-40-15

Mr. Rodger Schwecke
Senior Vice President and Chief Infrastructure Officer
Southern California Gas Company
555 West 5th Street, GT21C3
Los Angeles, CA 90013

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) conducted a General Order (G.O.) 112-F Comprehensive Operations and Maintenance Inspection at the following Southern California Gas Company (SoCalGas) Compressor Stations on February 8-11 and 14-18, 2022.

1. Blythe Compressor Station
2. South Needles Compressor Station
3. North Needles Compressor Station
4. Kelso Compressor Station
5. Adelanto Compressor Station
6. Newberry Springs Compressor Station
7. Wheeler Ridge Compressor Station
8. Sylmar Compressor Station
9. Ventura Compressor Station

The inspection included a review of the Station's Leak Survey, Patrol, Cathodic Protection, Valves, Overpressure protection (reliefs and shutdowns valves), Emergency Shut Down (ESD) system, Gas Detection and Alarm systems inspection records for calendar years 2018 thru 2021 and field inspections of the facilities at the Compressor Stations. In addition, SED's staff reviewed Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff used the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Inspection Assistance (IA) as a reference guide to conduct this inspection. SED's staff did not observe any probable violation of G.O. 112¹, Reference Title 49 Code of Federal Regulations (CFR), Part 192, but noted one area of concern which is described in the attached "Post-Inspection Written Preliminary Findings".

Please provide a written response within 30 days of your receipt of this letter indicating the measures taken by SoCalGas to address the concern noted in the "Post-Inspection Written Preliminary Findings".

Thank you for your cooperation in this inspection. If you have any questions, please contact Wilson Lule, Utilities Engineer, at (213) 392-4965 or by email at wkl@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Terence Eng".

Terence Eng, P.E.
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

CC: Alex Hughes, SoCalGas, Kan Wai Tong, SED/GSRB, Molla Mohammad Ali, SED/GSRB
Claudia Almengor, SED/GSRB, Matthewson Epuna, SED/GSRB.

Post-Inspection Written Preliminary Findings

Date of Transmittal: 05/31/2022

Dates of Inspection: February 8-11 and February 14-18, 2022

Operator: SOUTHERN CALIFORNIA GAS CO

Operator IDs: 18484 (primary)

Inspection Systems: Gas Transmission.

Assets (Unit IDs) with results in this report: SoCalGas' Main Office Inspection - Transmission
(88388)

System Type: GT

Inspection Name: SoCalGas (Compressor Stations)

Lead Inspector: Wilson Lule

Operator Representative: Austin Walker

Unsatisfactory Results

No Preliminary findings

Concerns

Maintenance and Operations: Gas Pipeline Maintenance (MO.GM)

Question Title, ID Valve Maintenance Transmission Lines, MO.GM.VALVEINSPECT. R

Question 10. Do records indicate proper inspection and partial operation of transmission line valves that may be required during an emergency as required and prompt remedial actions taken if necessary?

References 192.709(c) (192.745(a), 192.745(b))

Assets Covered SoCalGas' Main Office Inspection - Transmission (88388 (40A))

Issue Summary 49 CFR 192.745 (b); Each operator must take prompt remedial action to correct any valve found inoperable unless the operator designates an alternative valve.

Observed Discharge and Suction valves exercise at Kelso Compressor plant on 2/11/2022:

Discharge valve **235-58.79-2**, had a visible oil leak. Operator exercised the valve with some level of difficulty. During the exercise, SED observed valve fluid on the exterior of the valve body, and the operator was unable to operate the valve. SED reviewed past four-year maintenance cycle records and found the following:

1. The hydraulic leak was first noticed in 2018, on the work order (w/o) #659 8357, dated 1/24/2018.
2. A follow -up w/o # 6598347 was issued and completed on 1/26/2018. Review of the work order showed that the asset numbers on the discharge valve did not match. SCG explained that the staff worked hour was charged on a different station (North Needles) work order, but the work was done on Kelso Station.
3. W/O # 787-7809 indicated repair of hydraulic fluid leak, dated 2-16-2022. It showed that the upper and lower oil seals were replaced, tested, and the valve was returned to service.
4. SED is concerned that the valve inspection and maintenance records are reported on different station work orders.

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