

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



GI-2022-08-SDG-47-02ABC

January 4, 2023

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

Subject: Closure Letter for General Order 112-F Comprehensive Operations and Maintenance Inspection of San Diego Gas and Electric Company's Distribution North Inspection Unit

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) reviewed San Diego Gas and Electric Company (SDG&E)'s response letter dated December 16, 2022, that addressed one (1) probable violation and three (3) areas of concerns, identified during the General Order (GO) 112-F Comprehensive Operations and Maintenance (O&M) Inspection of SDG&E Distribution North Inspection Unit on August 1 through 5, 2022.

Attached is a summary of SED's inspection findings, SDG&E's response to SED's findings, and SED's evaluation of SDG&E's response to the findings.

This letter serves as the official closure of the 2022 G.O. 112-F Comprehensive O&M Inspection of SDG&E Distribution North Inspection Unit.

If you have any questions, please contact Sann Naing, Senior Utilities Engineer (Specialist), at (213) 266-4723 or by email at sn1@cpuc.ca.gov.

Sincerely,

Matthewson Epuna
Program & Project Supervisor
Gas Safety & Reliability Branch
Safety and Enforcement Division

cc: Alex Hughes, SoCalGas
Gwen Marelli, SoCalGas
Terence Eng, SED/GSRB
Sann Naing, SED/GSRB
Kan Wai Tong, SED/GSRB
Claudia Almengor, SED/GSRB

Post-Inspection Written Preliminary Findings

Dates of Inspection: August 1-5, 2022

Operator: SAN DIEGO GAS & ELECTRIC CO

Operator ID: 18112 (primary)

Inspection Systems: SDG&E GD North District (North Coast & North East Districts)

Assets (Unit IDs) with results in this report: District North (87074)

System Type: GD

Inspection Name: 2022 SDG&E District North Distribution

Lead Inspector: Sann Naing

Operator Representative: Edwin Baires

Unsatisfactory Results

Records : Corrosion Control (PRR.CORROSION)

Question Title, ID Cathodic Protection Monitoring, TD.CPMONITOR.TEST.R

Question 8. Do records adequately document cathodic protection monitoring tests have occurred as required?

References 192.491(c) (192.465(a))

Assets Covered District North (87074 (47))

Issue Summary On July 8, 2022, SDG&E provided a list of four (4) work orders (WO# 510000889235, 510000889323, 510000889327, and 510000798797), that required compliance inspections. Three of the four reported work orders were completed within the required compliance windows. However, one of the four work orders (CP10) was past due its compliance inspection window (the work order #510000798797, that is designated as CP10 functional location GD.SDG.NRE.CP.10P_YR2_RT19. SDG&E missed the inspection compliance window for 18 out of 98 CP10 areas in the 2021 compliance cycle. These 18 CP10 areas were reported to the Commission through the "exception reports" program and SDG&E indicated in its report that its system error was the cause of missing the compliance window. On June 29, 2022, SDG&E began compliance action on these CP10 areas that were in non-compliance and completed thereafter.

Title 49 CFR, Part 192, Section 192.465(a) states:

"Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of § 192.463. 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.”

SDG&E failed to inspect these 18 CP10 areas within the compliance window. Therefore, SDG&E is in violation of Title 49 CFR, Part 192 §192.465(a).

SDG&E’s Response:

SDGE acknowledges that the company failed to inspect these 18 CP10 areas within the compliance window. During an internal review of our records, SDG&E identified these 18 orders and 7 additional orders and self-reported the missed inspections to the SED in July of 2022. During an investigation of why these orders were missed, SDG&E found that it was due to a process change of capturing the test point data while transitioning from paper to digital format.

Actions:

- All missed orders were scheduled, dispatched, and completed.
- SDG&E is working on enhancing a report that helps to verify and validate read completion data.
- SDG&E will continue to perform a review of maintenance plans to identify potential issues associated with Gas Distribution managed assets maintained in SAP.

SED’s Conclusion:

SED has reviewed SDG&E’s response and accepts SDG&E’s remedial actions that it has articulated and implemented. SED acknowledges that the proposed corrective action measures will promote and foster strong safety culture, and address the probable violation. SED recommends no fine or penalty be imposed at this time. However, SED may review the corrective actions and implementation of the stated actions during future inspections.

Concerns

Records : Operations And Maintenance (PRR.OM)

Question Title, ID Distribution Patrolling, MO.RW.DISTPATROL.R

Question 19. Do records indicate distribution patrolling was conducted as required?

References 192.603(b) (192.721(a), 192.721(b))

Assets Covered District North (87074 (47))

Issue Summary SDG&E’s bridge span BS-53 (Vista Bridge Span #53 - Haymar Drive and South Vista Way) inspection records indicated misalignment due to bent support that was not remediated since 2020 (WO# 510000755982 and WO# 510000824713 respectively). On August 3, 2022, SED visited BS-53 and observed SDG&E employee Edger Gafare perform the span inspection. SED queried Mr. Gafare if SDG&E repaired the bent support that caused the misalignment and Mr. Gafare indicated that the condition was still unmitigated, and the bent support has not been repaired.

On August 5, 2022 during SED’s inspection, SDG&E explained that its Gas Engineering (GE) visited the site on November 10, 2021, to evaluate the pipe and the bent supports. Gas Engineering determined that the supports were sufficient and there were no concerns with the pipe alignment. Gas Engineering recommended applying grease to the supports to aid in possible pipe movement. On August 19, 2022, SDG&E indicated that its Gas Engineering revisited BS-53 on August 17 and made the following determination:

- All 5 hangers located under the total 72-foot span of the bridge were in good condition.

- The pipe hangers in the second and fourth position have the 1-1/2" STL pipe slightly off the roller. The wax tape seems to be caught on the roller and is holding the second bracket in misalignment.
- All rollers seem to require oil as they do not allow for much movement on inspection.

SDG&E indicated that it will oil the rollers and place the pipe back in full alignment on the rollers. SED would like SDG&E to provide the timeline for completion of the corrective action it articulated.

SDG&E's Response:

SDG&E is currently working with the Carlsbad City permitting and our approved contractor, to have the rollers oiled and the pipe placed back into full alignment at Bridge Span #53. The target completion date is by the end of Q2 2023.

SED's Conclusion:

SED has reviewed SDG&E's response and accepts the corrective action plan that it has articulated. No further response is required from SDG&E on this matter at this time. However, SED may review the records of the corrective action during future inspections.

Pipeline Field Inspection : Pipeline Inspection (Field) (FR.FIELDPIPE)

Question Title, ID Customer Meters and Regulator Location, DC.METERREGSVC.CUSTOMETERREGLOC.O

Question 4. Are meters and service regulators being located consistent with the requirements of 192.353?

References 192.351 (192.353(a), 192.353(b), 192.353(c), 192.353(d))

Assets Covered District North (87074 (47))

Issue Summary On August 3, 2022, during SED field visit to Valve ID# 10017, SED observed a nearby regulator station (Station number 969) where a car parked over the vault cover. SED shared its observation with SDG&E's representative that the regulator station did not have barriers to prevent vehicular damage. On August 19, 2022, SDG&E informed SED that it has generated work order number 30000524053 for the installation of a barrier post to be installed around Regulator station 969 and that the work is scheduled to be completed within 6 months after city permit approval.

Also, on August 4, 2022, during field inspection, SED observed a gas meter at the location of [REDACTED] Fallbrook, CA 92028 that was exposed to vehicular traffic but lacked a barrier post. On August 26, 2022, SED received an "As-Built Smart Form" from SDG&E with a Work Order (WO #) number 53000289454 for the planned barrier post installation. SDG&E indicated that it would provide the As-Built information when it completes the barrier post installation.

SED accepts the remedial actions articulated by SDG&E but may review and reassess these items during future inspections.

SDG&E's Response:

Once Regulator Station 969 was identified as needing vehicular protection, the location was referred to the Gas Engineering and Design Team, under work order 30000524053, to install an appropriate form of protection.

During a leak survey that was being performed during the CPUC audit, at [REDACTED] in Fallbrook, SDG&E identified a meter set that required barrier post protection. The location was referred to the Gas Operations team for remediation.

Actions:

- SDG&E is currently working with the County of San Diego to determine the most appropriate and acceptable form of protection from vehicular traffic at Regulator Station 969. The target completion date is by the end of Q2 2023.

- Vehicular protection was installed at [REDACTED], Fallbrook, on 8/22/2022 under work order 530000289454. The completed As-Built Smart Form was submitted to SED on 11/29/2022.

SED's Conclusion:

SED has reviewed SDG&E's response and accepts the corrective action plan that it has articulated. No further response is required from SDG&E on this matter at this time. However, SED may review the records of the corrective action during future inspections.

Question Title, ID Inspection/Testing to Ensure Electrical Isolation, TD.CP.ELECISOLATETEST.O

Question 20. Do field observations verify that inspection and electrical testing ensured that electrical isolation is adequate?

References 192.467(d)

Assets Covered District North (87074 (47))

Issue Summary On August 4, 2022, during field inspection, SED observed an SDG&E crew performing inspection of a Rectifier (CP package 31.1). The Rectifier breaker tripped during the inspection and shut off the power supply to the unit. After SDG&E's crew reset the breaker, SDG&E took a CP (cathodic protection) pipe-to-soil read near the intersection of Midway Drive and Valley Parkway. The read was below the SDG&E's established minimum tolerance. On August 18, 2022, SDG&E provided a CP-Troubleshooting - IMP form with a WO # 510000899871 SED. The work order indicated that a new rectifier was installed, and the old rectifier was sent to shop for investigation. On August 19, 2022, SED received three photographs that showed a pipe-to-soil read of -0.9458V that was taken at the intersection of Midway Drive and Valley Parkway which indicated that the read point was in compliance and above the minimum tolerance. SED accepts the remedial action taken by SDG&E but may review and reassess this issue during future inspections. **No response was required. this issue was resolved.**

Question Title, ID Odorization of Gas, MO.GOODOR.ODORIZE.O

Question 34. Is sampling of combustible gases adequate using an instrument capable of determining the percentage of gas in air at which it becomes readily detectable?

References 192.625(a) (192.625(c), 192.625(d), 192.625(e), 192.625(f))

Assets Covered District North (87074 (47))

Issue Summary SDG&E's Gas Standard, Procedure G8130 – Operation of Odorator, require that the gas source pressure to the Odorator be regulated to 4 psig or below and verified with a pressure gauge before performing an odor intensity test. On August 4, 2022, during field inspection, SED observed an odor test technician performing the odor intensity test at station OP. 53 in the North-East District. The technician used a portable gas regulator and regulated the gas pressure to approximately 4 psig for the test. SED asked if the pressure gauge being used was calibrated, and the last calibration date. The technician indicated that the gas standard did not require calibration of that pressure gauge, and he did not know if it was calibrated. SED believes that the calibration of the pressure gauge is important to ensure that the inlet gas pressure into the Odorator is within 4 psig or below as prescribed in SDG&E's Gas Standard. SDG&E should ensure that the gas pressure into the Odorator is at the prescribed value.

SDG&E's Response:

Gas Standard G8130 – Operation of Odorant indicates that a pressure indicating gauge should be used to verify inlet pressure to an Odorator is at 4 psig or below. Odorator inlet supply pressure accuracy is not required, therefore indicating gauges are allowed. Per MSP 65-42 – Mechanical Gauges – Pressure Indicating there is no calibration interval for Indicating gauges. Indicating gauges can be verified against calibrated gas measurement equipment if defects are suspected. SDGE will review the Gas Standard G8130 and make changes if needed to clarify requirements for use of acceptable pressure gauges for this procedure.

SED's Conclusion:

SED has reviewed SDG&E's response that it will review the Gas Standard and make changes as needed. No further response is required from SDG&E on this matter at this time. However, SED will review this Gas Standard during future inspections.

Question Title, ID Vault Inspection, FS.FG.VAULTINSPECT.O

Question 41. Are inspections of selected vaults with internal volume =200 cubic feet (5.66 cubic meters) housing pressure regulating/limiting equipment adequate?

References 192.749(a) (192.749(b), 192.749(c), 192.749(d))

Assets Covered District North (87074 (47))

On August 3, 2022, during field inspection, SED observed the inspection of Regulator Station ID #1505. There were two vaults that housed the regulators. One of the vaults was marked as a 200 cubic feet vault while the other vault was not marked as a 200 cubic feet vault. SED recommended that SDG&E determine the dimensions of the unmarked vault. On August 18, 2022, SED received a Regulator Station work order 510000899763 that listed all the issues noted during the field inspection at Regulator Station ID #1505. SDG&E's Region Engineering and Gas Design teams informed SED that the unmarked vault dimension was less than 200 cubic feet. Also, SDG&E provided a copy of the vault drawing, that confirmed the dimensions. SED accepted the remedial action taken by SDG&E but may review and reassess this issue during future inspections. **No response was required, issue resolved.**

Topical Content (OQ, PA, CRM): OQ Field Inspection (MISCTOPICS.PROT9)

Question Title, ID Verification of Qualification, TQ.PROT9.VERIFYQUAL.O

Question 5. Observe in the field (job site, local office, etc.) that the foreman/supervisor/manager has verified the qualification of the individual performing the task, that the qualification records are current, and ensure the personal identification of all individuals performing covered tasks are checked, prior to task performance.

References 192.801(a) (192.809(a))

Assets Covered District North (87074 (47))

Issue Summary On August 3, 2022, SDG&E's leak survey technician conducted a leakage survey of the area 1088_A2_49 (near the address [REDACTED]) in Vista, CA. The supervisor of the leak survey technician was not present at the field during the inspection. SED inquired if any of SDG&E's supervisors on the site verified leak survey technician's operator qualifications records prior to performing the leakage survey. It appeared that the supervisors did not verify his qualification records prior to conducting the leakage survey. SDG&E's supervisors should verify the identification of personnel and their operator qualification records prior to performing covered tasks.

On August 26, 2022, SDG&E provided SED the following explanation on SDG&E's Verification of Qualification process:

"If an employee does not have a required task based on their position, an automated email will be sent to the employee's supervisor and that employee will show up on the nightly "not qualified list". When operator qualifications are approaching their due date for requalification, an autogenerated email notification is sent to the supervisor in intervals of 90/60/30 days. Lastly, to give visibility of operator qualifications to all employees within a specific group, a report of each department's OQ's are provided to all supervisors of the department on a quarterly basis.

SED acknowledged that SDG&E's automated "Qualification Verification" tracking process is adequate to ensure that only qualified persons are authorized to perform covered tasks. However, SED may review SDG&E's stated process during future inspections.

No response was required, issue resolved.