

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

June 27, 2023

GI-2023-03-SCG-67-02

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) reviewed Southern California Gas Company's (SoCalGas) response letter, dated June 6, 2023, that addressed five (5) out of five (5) areas of concern identified during the **General Order (G.O.) 112-F Comprehensive Operation and Maintenance Inspection of Southern California Gas Company (SoCalGas)'s NW North Valley Distribution Area** (Inspection Unit) conducted on March 6 through March 13, 2023.

Attached is a summary of all SED's inspection findings, SoCalGas' responses to SED's findings, and SED's evaluation of SoCalGas' responses to the findings.

This letter serves as an official closure of the 2023 Comprehensive Inspection of SoCalGas' NW North Valley Distribution Area. Any matters that are being considered 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 Jesus Reyes, Utilities Engineer, at (213) 264-9087 or by email at JEY@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Mahmoud Intably".

Mahmoud (Steve) Intably, P.E.  
Program and Project Supervisor  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

cc: See next page

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## 2023 SoCalGas North Valley Distribution Audit Response

**Concern(s):**

**1. Maintenance and Operations: Gas Pipeline Odorization (MO.GOODOR)**

Question Title, ID	Odorization of Gas, MO.GOODOR.ODORIZE.P
Question	1. Does the process ensure appropriate odorant levels are contained in its combustible gases in accordance with 192.625?
References	192.605(b)(1) (192.625(a), 192.625(b), 192.625(c), 192.625(d), 192.625(e), 192.625(f))
Assets Covered	Northwest - North Valley (87050 (67))
Issue Summary	<p>Title 49, CFR Part 192, §192.605(b) states:</p> <p style="text-align: center;"><i>"Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations."</i></p> <p>SoCalGas Gas Standard 189.005 "Operation of Odorometer" section 3.2.2 states:</p> <p style="text-align: center;"><i>"Install the pressure regulator and verify the pressure indicating gauge reads 5 psig or below."</i></p> <p>During the field inspection on March 8, 2023, SED observed SoCalGas' employee conducting an odorant intensity test at [REDACTED], Tehachapi using an uncalibrated pressure indicating gauge. Gauges experience wear and tear and accuracy degradation over time. To ensure accurate readings, employee safety, and best industry practices, SED recommends that SoCalGas revise its Gas Standard 189.005 "Operation of Odorometer" to ensure calibrated pressure indicating gauges are used when conducting odorant intensity tests and promote safe operation of the pipeline system and safety to the employees.</p>

**SoCalGas' response:**

Gas Standard 189.005 – Operation of Odorometer states to *verify the pressure indicating gauge reads 5psig or below* and references MSP 65-42 Mechanical Gauges – Pressure Indicating for more information. The Odorometer 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.

**SED’s conclusion:**

SED has reviewed SoCalGas’ response and noticed that SoCalGas’ position is inconsistent with its current practices/expectation. On one hand, the gas standard quantifies the maximum pressure input (5-psig) to the odorometer. On the other hand, SoCalGas’ latest response indicated that the accuracy of such inlet pressure is not required. When a pressure gauge is not calibrated, it is likely to show inaccurate readings, thus allowing its user to proceed even when the actual pressure has exceeded 5-psig. SED requests that SoCalGas clarify and/or provide more details as to why the odorometer inlet supply pressure accuracy is not required while, currently, the 5-psig or below verification is being prescribed. Moreover, if, indeed, 5-psig or below verification is required, then a calibrated gauge would be necessary in order to ensure that such requirement can be met. SED will continue to monitor SoCalGas’ improvement in this area during future inspections.

Therefore, SED maintains its previously presented inspection findings.

**2. Maintenance and Operations: ROW Markers, Patrols, Leakage Survey and Monitoring (MO.RW)**

Question Title, ID	Distribution Leakage Surveys, MO.RW.DISTPATROLLEAKAGE.R (also presented in: PD.RW)
Question	11. Do records indicate distribution leakage surveys were conducted as required?
References	192.603(b) (192.723(a), 192.723(b))
Assets Covered	Northwest - North Valley (87050 (67))
Issue Summary	<p>Title 49, CFR Part 192, §192.723(b)(2) states:</p> <p><i>“A leakage survey with leak detector equipment must be conducted outside business districts as frequently as necessary, but at least once every 5 calendar years at intervals not exceeding 63 months. However, for cathodically unprotected distribution lines subject to § 192.465(e) on which electrical surveys for corrosion are impractical, a leakage survey must be conducted at least once every 3 calendar years at intervals not exceeding 39 months.”</i></p> <p>During the field inspection on March 9, 2023, SED observed SoCalGas’ employee performing a leakage survey at [REDACTED], Sylmar, Los Angeles County for compliance with §192.723 “Distribution Systems Leakage Survey”, in accordance with SoCalGas Gas Standard 223.0100 “Leakage Surveys” and found a gas leak on an above ground Meter Set Assembly (MSA). SoCalGas’ employee coded the leak in accordance with SoCalGas Gas Standard 223.0126 “Above Ground leak Classification and Mitigation Schedules” and contacted dispatch for further investigation. SED requests SoCalGas to provide SED with a copy of its investigation in accordance with SoCalGas Gas Standard 184.0245 “Leak Investigation” including the leak Repair Order (Form 4050).</p>

**SoCalGas’ response:**

The meter set assembly leak at [REDACTED], Sylmar was repaired by Customer Service on March 13, 2023 under work order 0522535115. A copy of the work order will be provided in the CPUC SharePoint site. Form 4050 is specific to Distribution Gas Operations and was therefore not needed since the leak was repaired by Customer Services.

**SED’s conclusion:**

SED has reviewed SoCalGas’ response and accepts the corrective action that it has articulated and implemented. SED has verified that completed work order has been done. However, SED may verify the corrective actions during future inspections.

**3. Time-Dependent Threats: Atmospheric Corrosion (TD.ATM)**

Question Title, ID	Atmospheric Corrosion Monitoring, TD.ATM.ATMCORRODEINSP.O
Question	5. Do field observations indicate that pipe exposed to atmospheric corrosion is properly coated?
References	192.481(b) (192.481(c), 192.479(a), 192.479(b), 192.479(c), 192.481(d))
Assets Covered	Northwest - North Valley (87050 (67))
Issue Summary	Title 49, CFR Part 192, §192.479(a) Atmospheric Corrosion Control-General states:  <i>“Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.</i>
	During the field inspection on March 9, 2023, SED observed atmospheric corrosion on aboveground piping (span) # 17A02 (34.428659, -118.550340)  SED recommends that SoCalGas take the necessary steps to ensure that above ground piping exposed to atmospheric corrosion is protected from corrosion.

**SoCalGas’ response:**

Unusually heavy rain prevented access to wash where this span (B17A02) is located. The water has dissipated, and SoCalGas is working with Environmental Services for the proper removal of a bird's nest on span B17A02. Once the bird's nest is removed, the atmospheric corrosion will be addressed. A completed order along with photos will be provided once final repairs are complete.

**SED’s conclusion:**

SED has reviewed SoCalGas’ response and accepts the corrective action that it has articulated and implemented. However, SED will verify completed order along with photos of final repairs, once SoCalGas submits them and may verify the corrective actions during future inspections.

**4. Time-Dependent Threats: External Corrosion - Coatings (TD.COAT)**

Question Title, ID	New Buried Pipe Coating Installation, TD.COAT.NEWPIPEINSTALL.O
Question	5. Is external protective coating being protected from damage that could result from adverse ditch conditions or supporting blocks?
References	192.461(d)
Assets Covered	Northwest - North Valley (87050 (67))
Issue Summary	<p>Title 49, CFR Part192, §192.461(d) states:</p> <p><i>"Each external protective coating must be protected from damage resulting from adverse ditch conditions or damage from supporting blocks."</i></p> <p>SoCalGas Gas Standard 184.12 “Inspection of Pipelines on Bridge and Spans”, §4.1.5 Pipe supports states in part:</p> <p><i>“Is there evidence of improper insulation between the support and the pipe? Supports and insulators must be made of durable, noncombustible materials, such as Micarta or fiberglass reinforced plastic (FRP) pads. Woods is not approved material and shall not be used as a support or insulator.”</i></p> <p>During the field inspection on March 9, 2023, SED observed the following spans had missing or improper insulation supports between the pipe and the support.</p> <ul style="list-style-type: none"> <li>• Span 17A02 [REDACTED]</li> <li>• Span B22002 [REDACTED]</li> </ul> <p>SED recommends that SoCalGas take corrective action to install Micarta or FRP pads between the pipe and the support to prevent pipe-support contact.</p>

**SoCalGas’ response:**

The micarta insulators for the supports of spans B17A02 and B22002 have been ordered. Once the material is received, both spans will be repaired. Completed orders along with photos will be provided once final repairs are complete.

**SED’s conclusion:**

SED has reviewed SoCalGas’ response and accepts the corrective action that it has articulated and implemented. SED has verified that completed work order has been done for B22002.

However, SED will verify completed orders along with photos of final repairs for B17A02, once SoCalGas submits them and may verify the corrective actions during future inspections.

**5. Training and Qualification: OQ Protocol 9 (TQ.PROT9)**

Question Title, ID	Covered Task Performance, TQ.PROT9.TASKPERFORMANCE.O
Question	2. Verify the qualified individuals performed the observed covered tasks in accordance with the operator's procedures or operator approved contractor procedures.
References	192.801(a) (192.809(a))
Assets Covered	Northwest - North Valley (87050 (67))
Issue Summary	<p>Title 49, CFR Part 192, §192.605(a) states:</p> <p><i>"Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response..."</i></p> <p>SoCalGas Gas Standard 189.005 "Operation of Odorometer" section 3.2.2 states:</p> <p><i>"Install the pressure regulator and verify the pressure indicating gauge reads 5 psig or below."</i></p> <p>During the field inspection on March 9, 2023, SED observed SoCalGas' employee conducting odorant intensity test at [REDACTED], Santa Clarita, CA 91321 without installing the pressure regulator and verifying the pressure indicating gauge reads 5 psig or below.</p> <p>SED recommends that SoCalGas review the performance of its employee and take the necessary steps to ensure that the employee is following the written Gas Standard when conducting the odorant intensity test and to ensure safe operation of the pipeline system.</p>

**SoCalGas' response:**

SoCalGas agrees the employee failed to follow the procedure in its entirety, by not verifying with a pressure gauge that the gas pressure was 5 psig or less. The employee explained that he knew of the requirement to verify, with a pressure gauge, that the pressure was 5 psig or less, but because he knew the pressure was at inches water column, since the bypass was after the regulator at the MSA, he did not perform that step. The employee has been counseled to follow the procedures as written.

**SED's conclusion:**

SED has reviewed SoCalGas' response and accepts the corrective action that it has articulated and implemented. However, SED may verify the corrective actions during future inspections.