

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

September 29, 2023

GI-2023-07-SCG-42-15

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 conducted a **General Order (G.O.)112-F Comprehensive Operation and Maintenance Inspection of Southern California Gas Company (SoCalGas)'s Honor Rancho Natural Gas Storage Field** (Inspection Unit) starting July 24 through July 28 of 2023 for calendar years 2019 through 2022. SED reviewed records and conducted field inspections of SoCalGas pipeline within the Inspection Unit. SED's staff also reviewed the application of the Operator Qualification program, which included field observation of randomly selected individuals performing covered tasks.

SED's 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 identified zero (0) violations of G.O.112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192, and one (1) area of concern as described in the attached "Post-Inspection Written Preliminary Findings".

Please provide a written response within 30 days of receipt of this letter indicating any updates or corrective actions taken by SoCalGas to address the concerns noted in the "Post-Inspection Written Preliminary Findings".

Thank you for your cooperation in this inspection. If you have any questions, please contact Randy Holter, Senior Utilities Engineer (Specialist), at (213) 576-7153 or by email at randy.holter@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

Attachments: see Post-Inspection Written Preliminary Findings
cc: see next page.

Alex Hughes, Pipeline Safety and Risk Mitigation Manager
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Gas Safety and Reliability Branch
Safety and Enforcement Division

Post-Inspection Written Preliminary Findings

Dates of Inspection: July 24 - July 28 of 2023

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Inspection Systems: Honor Rancho Natural Gas Storage Facilities

Assets (Unit IDs) with results in this report: Honor Rancho (88720)

System Type: GT

Inspection Name: Honor Rancho NGS Facility

Lead Inspector: Randy Holter

Operator Representative: Austin Walker

Unsatisfactory Results

No Preliminary Findings.

Concerns

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

Question Title, ID Atmospheric Corrosion Monitoring, TD.ATM.ATMCORRODEINSP.O

Question 5. Is pipe that is exposed to atmospheric corrosion protected?

References 192.481(b) (192.481(c), 192.479(a), 192.479(b), 192.479(c), 192.481(d),
192.9(f)(1), 192.453, 192.491)

Assets Covered Honor Rancho (88720)

Issue Summary **Result Issue Summary (required):**

Title 49 CFR, Part 192, §192.479(a) states in part:

"Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere,", and

Title 49 CFR, Part 192, §192.479(b) states,

“Coating material must be suitable for the prevention of atmospheric corrosion.”

During the field inspection on 7/26/23, at HR-SE3-04.0A-P, SED observed signs of atmospheric corrosion on an above ground pipeline at the pipe elbow and at the soil-to-air interface, with visible damage to the pipe wrappings (deteriorated).

SED recommends that SoCalGas takes the appropriate corrective action to clean and coat the pipe elbow and to re-wrap the pipe at the soil-to-air interface with suitable material to ensure compliance with Title 49 CFR, Part 192, §192.479(a)&(b).