

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 4, 2023

GI-2023-08-SDG-53-05-14

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: G.O. 112-F Compliance Inspection of SDG&E DPP and PAP

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 November 10, 2023, that addressed two (2) areas of concern, identified during SED's General Order (G.O.) 112-F Inspection of SDG&E's Damage Prevention Program (DPP) and Public Awareness Program (PAP) on August 7 through 14, 2023.

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 2023 G.O. 112-F Inspection of SDG&E DPP and PAP programs.

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,

A handwritten signature in black ink, appearing to read "Matthewson Epuna".

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

CC: Alex Hughes, SoCalGas
Larry Andrews, SoCalGas
Terence Eng, SED/GSRB
Sann Naing, SED/GSRB
Claudia Almengor, SED/GSRB

Post-Inspection Written Preliminary Findings

Dates of Inspection: August 7-14, 2023

Operator: SAN DIEGO GAS & ELECTRIC CO

Operator ID: 18112 (primary)

Inspection Systems: SDG&E Damage Prevention and Public Awareness Programs

Assets (Unit IDs) with results in this report: SDG&E (88390 88389)

System Type: GT & GD

Inspection Name: 2023 SDG&E DP and PA

Lead Inspector: Sann Naing

Operator Representative: Edwin Baires

Unsatisfactory Results

No Preliminary Findings.

Concerns

Public Awareness and Damage Prevention : Damage Prevention (PD.DP)

- 1) Question Title, Documented Damage Prevention Program - TPD, PD.DP.TPD.P ID

Question 4. Does the process specify how reports of Third Party Activity and names of associated contractors or excavators are input back into the mail-outs and communications with excavators along the system?

References 192.614(c)(1)

Assets Covered SDG&E (87058 (48))

Issue Summary SDG&E uses the number of damages per 1,000 USA tickets as one of key observations in its internal annual Public Awareness Program audits. This parameter is used as one of the criteria by the Damage Prevention (DP) industry to measure the effectiveness of the DP program. The industry uses the data reported by the operators in their PHMSA annual reports. While it is good practice to look at this data, it is also important that the data used for this evaluation be consistent and accurate. SED noted that SDG&E's 2022 Public Awareness Program annual report showed the total damages in 2022 to be 246 while SDG&E's annual PHMSA report (Form F7100-1) showed the total number of damages to be 302.

Furthermore, review of the SDG&E's annually reported data, SED noted that the damaged percentage related to "Locating Practices Not Sufficient" criterion (percentage of total excavation damages) has consistently increased in recent years, from 1% in 2019 to 5% in 2022 (2% - 2020 and 3% - 2021 respectively).

SED recommends that SDG&E review and evaluate its records and data to identify the inaccuracies in its data. Also, SED recommends that SDG&E drive the improvements in identified areas.

On September 11, 2023, SDG&E provided the following response:

"SDG&E will evaluate data sources to verify consistency, accuracy and opportunities for further improvement."

SED would like to request a status update on SDG&E's identification of data deficiencies noted in SED's inspection findings.

SDG&E's Response:

SDG&E is currently evaluating the data sources and will correct the discrepancies to improve the consistency and accuracy in the 2024 report.

SED's Conclusion:

SED accepts SDG&E's stated remedial action plan and acknowledges that the proposed action will promote data accuracy as well as meaningful analysis of data related to pipeline damage and the improvement of the operator's damage prevention program. SED may review the implementation of the stated actions during future inspections.

- 2) Question Title, Damage Prevention Program, PD.DP.PDPROGRAM.R
ID

Question 7. Does the damage prevention program meet minimum requirements specified in 192.614(c)?

References 192.614(c)

Assets Covered SDG&E (87058 (48))

Issue Summary SDG&E gas standard procedure, G8123 - Underground Service Alert and Temporary Marking, Section 4.6.19 states:

"If previous company marks are visible within the delineated excavation location, the locator must attempt to verify those marks are accurate. Marks found to be inaccurate must be concealed. For example: Inaccurate marks on asphalt may be concealed with black paint. Notify supervisor if previous location marks for the same USA ticket appear to be marked at incorrect location."

During the 2019 inspection of SDG&E's Damage Prevention program, SED expressed its continued concern that SDG&E's program procedure, as currently written. The procedure did not have a process to capture and document inaccuracies. Without such a process, it will be difficult to determine the root cause of actual issues and how to remediate it and prevent recurrence. SED recommends that SDG&E establish a process to follow and document the outcome that may pinpoint the root causes of the inaccurate pipeline markings.

On September 11, 2023, SDG&E provided the following response:

"SDG&E will develop a written process within its gas standard. SDG&E will provide a copy of the gas standard once it is updated."

SED would like to request a status update on SDG&E's effort to develop a written process within its gas standard.

SDG&E's Response:

SDG&E is currently reviewing the Gas Standard G8123, *Underground Service Alert and Temporary Marking* section 4.6.19 pertaining to incorrect markings found. Updates to Gas Standard G8123 will be completed by Q1 2024.

SED's Conclusion:

SED accepts SDG&E's stated remedial action plan and acknowledges that the proposed updates, as recommended by SED, will promote safety, and improve the prevention of damage to the pipeline facilities. SED may review the implementation of the stated actions during future inspections.