

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



April 3, 2023

Jerry Schmitz  
Vice President, Engineering  
Southwest Gas Corporation  
5241 Spring Mountain Road  
Las Vegas, NV 89193-8510

GI-2023-01-SWG-30-03-04

**Subject: General Order (G.O.) 112-F Inspection of Southwest Gas Company's Operation and Maintenance Procedures and Emergency Response Program Updates**

Dear Mr. Schmitz:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) reviewed Southwest Gas Company's (SWG) response letter dated March 15, 2023, regarding the finding identified during the General Order 112-F inspection of SWG's updates to their Operation and Maintenance (O&M) Procedures and Emergency Response (ER) Programs between January 23 and January 27, 2023.

A summary of the inspection finding documented by SED, SWG's response to the finding, and SED's evaluation of the identified Area of Concern is attached.

This letter serves as the official closure of the 2023 GO 112-F inspection of SWG's O&M procedures and ER programs updates and any matters that are being recommended 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 Victor Muller at (415) 940-4352 or by email at [victor.muller@cpuc.ca.gov](mailto:victor.muller@cpuc.ca.gov).

Sincerely,

A handwritten signature in blue ink that reads "Dennis Lee".

Dennis Lee, P.E.  
Program and Project Supervisor  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

Enclosure: Post-Inspection Written Findings

CC: Laurie Brown, SWG  
Victor Muller, SED/GSRB  
Terence Eng, SED/GSRB  
Claudia Almengor, SED/GSRB  
Jason R. McMillan, GSRB

# Post-Inspection Written Findings

**Dates of Inspection:** 1/23/2023-1/27/2023

**Operator:** SOUTHWEST GAS CORP

**Operator ID:** 18536 (primary)

**Assets (Unit IDs) with results in this report:** Main Office (Specialized Inspections) (88373)

**System Type:** GD

**Inspection Name:** 2023 Southwest Gas (SWG) O&M/ER Updates (Distribution)

**Lead Inspector:** Victor Muller

**Operator Representative:** Laurie Brown

## Unsatisfactory Results

**No Preliminary Findings.**

## Concerns

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

Question Title, ID Distribution Leakage Surveys, MO.RW.DISTLEAKAGE.P (also presented in: PD.RW)

Question 10. Does the process require distribution system leakage surveys to be conducted?

References 192.723(a) (192.723(b))

Assets Covered Main Office (Specialized Inspections) (88373 (30))

Issue Summary California General Order (GO) 112F, subpart 143.2(c)(1) states, "Each Operator must reevaluate Grade 3 leaks during the next scheduled survey, or within fifteen months of the reporting date, whichever occurs first. Thereafter, the leak must be reevaluated every calendar year, not to exceed 15 months until the leak is repaired, regraded or no longer results in a reading."

Section 1.6.5 of SWG's Office of Pipeline Safety (OPS) - Leak Survey Procedure provides SWG's standards for follow-up on aboveground Grade 3 leaks stating, "Class 3 leaks must be repaired within 12 months, not to exceed 15 months, from the date of discovery".

SWG has no reevaluation procedures for aboveground Grade 3 leaks. Therefore, SWG's procedures should require the repair of any aboveground Grade 3 leaks before a reevaluation would be required by GO-112F. A survey could be scheduled, or may be required by Title 49 CFR Part 192 to be completed, prior to 15 months after the discovery of an aboveground Grade 3 leak. SED recommends that SWG revise section 1.6.5 of SWG's OPS - Leak Survey Procedure to ensure that a reevaluation required by GO 112F, subpart 143.2(c)(1) is not missed.

SWG's Response Southwest Gas acknowledges SED's recommendation and is currently reviewing the Leak Survey Procedure, Section 1.6.5, for revision to include a reevaluation requirement to ensure compliance with GO 112F. A revision to the procedure will be included in the third quarter Operations Manual release in September 2023.

SED's Conclusion SED has reviewed the response from SWG and determined that the corrective actions articulated by SWG sufficiently address SED's concern. SED may review SWG's revisions for compliance with GO 112F during future inspections.