

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

October 27, 2023

GI-2023-07-SWG-30-04-05-06

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

Subject: G.O. 112-F Compliance Inspection of SWG's DPP, PAP, and ERP programs

Dear Mr. Schmitz:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) conducted a General Order (G.O.) 112-F Inspection of Southwest Gas Corporation's (SWG) Damage Prevention Program (DPP), Public Awareness Program (PAP), and Emergency Response Program (ERP) on July 24 through 28 of 2023. SED staff reviewed PAP & ERP related written procedures and records for the period of 2018 through 2022 and DPP related procedures and records for the period of 2019 through 2022. In addition, SED staff conducted field observations of SWG's pipeline locate and mark activities. SED utilized the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Inspection Assistance (IA) software as a reference guide.

SED staff did not identify any probable violations of G.O. 112-F. However, SED staff noted two (2) areas of concern, which are described in the attached "Post-Inspection Written Preliminary Findings" report.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by SWG to address the concerns noted in the SED's Summary of Inspection Findings.

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 blue ink that reads "Terence Eng".

Terence Eng, P.E.
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

CC: Sann Naing, SED/GSRB
Laurie Brown, SWG
Matthewson Epuna, SED/GSRB
Claudia Almengor, SED/GSRB

Post-Inspection Written Preliminary Findings

Dates of Inspection: July 24-28, 2023

Operator: SOUTHWEST GAS CORP

Operator ID: 18536 (primary)

Inspection Systems: DPP, ER, and PAP

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

System Type: GD

Inspection Name: 2023 SWG DP, PA and ER

Lead Inspector: Sann Naing

Operator Representative: Laurie Brown

Unsatisfactory Results

No Preliminary Findings.

Concerns

Emergency Preparedness and Response : Emergency Response (EP.ERG)

Question Title, ID Receiving Notices, EP.ERG.NOTICES.P

Question 1. Does the emergency plan include procedures for receiving, identifying, and classifying notices of events which need immediate response?

References 192.615(a)(1)

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

Issue Summary Southwest Gas Corporation (SWG)'s Emergency Plan Manual (Issue date: 06/01/2023), Section 3 describes emergency calls, which are to be dispatched, and procedures for employees receiving the notifications to coordinate with callers. However, SWG neither stated in its manual whether or not the operator can be contacted at any hour of the day to receive notifications of a pipeline system emergency, nor did it list the operator's contact phone number.

During SED's discussion with SWG's compliance team, SWG stated that it has a designated number and that SWG's staff responds appropriately to the emergency calls 24/7. SED recommends that SWG should include the stated information and the process in its written plan.

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

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

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

Issue Summary SWG stated that it composes an excavator notification mail-out list to notify contractors of SWG's damage prevention program. SWG also stated that the list includes all excavators who requested the excavation notifications to One-Call centers in SWG gas pipeline service territories. SWG confirmed that excavators stay on the list indefinitely and they are taken off the list only when SWG becomes aware that an excavator is out of business (i.e. getting return mails from those particular excavators). However, SWG needs to improve its record keeping regarding excavator notifications. During review of SWG's excavator related records, SED noted the following:

1. An excavator, [REDACTED], who damaged SWG gas pipeline at [REDACTED] Victorville on 07/28/2021 was still listed in SWG's 2022 excavator mailing list as having no address (Unknown) despite the fact the excavator's actual address was listed in SWG's Damage Cause Database (DCD) 304 Report (SWG Record ID 40612).
2. An excavator, [REDACTED], had an excavation notification ticket (A212211129) for a project on [REDACTED] Apple Valley, CA 92307 in August 2021, that was not in the SWG's 2022 actual mailing list. Based on the address of the project, the excavation was within the SWG pipeline service territory.
3. SWG maintains separate excavator notification tickets for each district in its California service territories which are comprised of Needles, Northern California, and Southern California districts. SED noted that there were discrepancies between the combined total tickets from all three districts and SWG's reported ticket count in its PHMSA annual reports. For 2022, as an example, SWG's combined three districts total ticket number was 61345 while its PHMSA annual reported number was 61483. SWG explained that it uses the data from One-Call centers for annual reporting, while, on the other hand, it uses the internal ticket management system (Irthnet) data for district ticket counts. SED recommends that SWG identify the cause of the data discrepancies and remediate it.