

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 12, 2024

GI-2024-08-SCG-60-02ABC

Mr. Rodger Schwecke
Senior Vice President and Chief Infrastructure Officer
Southern California Gas Company
555 West 5th Street, GT21C3
Los Angeles, CA 90013

Subject: G.O. 112-F Inspection of SoCalGas' Southeast - Orange County Coast Gas Distribution Area

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) reviewed Southern California Gas Company (SoCalGas)'s response letter, dated October 25, 2024, that addressed two (2) areas of concern noted during SED's General Order (G.O.) 112-F Comprehensive Inspection of SoCalGas' Southeast - Orange County Coast (OC Coast) Gas Distribution Area on August 12 through 16, and August 19, 2024.

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

This letter serves as the official closure of the 2024 G.O. 112-F Inspection of SoCalGas' Northwest-OC Coast Gas Distribution Area. If you have any questions, please contact Sann Naing, Senior Utilities Engineer (Specialist), at (213) 392-5947 or by email at sn1@cpuc.ca.gov.

Thank you for your cooperation in this inspection.

Sincerely,

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

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

CC: Alex Hughes, SCG
Larry Andrews, SCG
Matthewson Epuna, SED/GSRB
Sann Naing, SED/GSRB
Claudia Almengor, SED/GSRB

Enclosure: Post-Inspection Written Preliminary Findings and Evaluation Reports

Post-Inspection Written Preliminary Findings

Dates of Inspection: August 12 to 16, and August 19, 2024

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Inspection Systems: Southeast - OC Coast Gas Distribution O&M

Assets (Unit IDs) with results in this report: Southeast - Orange County Coast (87043)

System Type: GD

Inspection Name: 2024 SoCalGas SE Distribution _ OC Coast Inspection

Lead Inspector: Sann Naing

Operator Representative: James Cervantes

Unsatisfactory Results

No Preliminary Findings.

Concerns

Maintenance and Operations : Gas Pipeline Maintenance (MO.GM)

Question Title, ID Valve Maintenance Distribution Lines, MO.GM.DISTVALVEINSPECT.R

Question 6. Do records indicate proper inspection of each distribution system valve that might be required in an emergency at intervals not exceeding 15 months, but at least once each calendar year, and prompt remedial action to correct any valve found inoperable?

References 192.603(b) (192.747(a), 192.747(b))

Assets Covered Southeast - Orange County Coast (87043 (60))

Issue Summary SoCalGas' valve inspection history showed that pipeline valves 42CNV-0069 and 42CNV-0070 were reported as "Inoperable Valves" for three consecutive years (2021 thru 2023), and these valves were still in inoperable conditions at the time of this SED inspection. SoCalGas informed SED that it has identified an alternate emergency shutdown plan for those inoperable valves and SoCalGas' engineering is still identifying the remedial actions for these two valves.

SoCalGas' Gas Standard (GS) procedure 184.16, Section 4.8.6.2 states in part:

"The alternate shutdown plan must not be considered a permanent solution for designating a control valve or repairing/replacing the existing inoperable valve."

Furthermore, SoCalGas' Gas Standard (GS) procedure 184.16, Section 4.8.8.1 of the same procedure states:

"Every effort shall be made to correct the inoperable valves within 15 months of discovery."

SED requests SoCalGas to provide the following for those two valves:

1. Copies of the following work order notifications:
 - a. Valve 42CNV-0069:
 - i. Work order Notification # 100020016288
 - ii. Work order Notification # 100022035527
 - b. Valve 42CNV-0070:
 - i. Work order Notification # 100020016287
 - ii. Work order Notification # 100022164252
2. What options are SoCalGas' planning and engineering departments exploring?
3. Estimated completion date for permanent remediation.

SoCalGas' Response:

SoCalGas is currently planning to replace the 8" valve (42CNV-0070) and abandon the 10" valve (42 CNV-0069). This plan is contingent upon engineering approval, material availability, and the acquisition of the necessary permits.

SoCalGas aims to complete the projects in 2025, but the final construction schedule is contingent upon planning considerations noted above.

The requested orders will be provided to SED separately along with the letter response. Below is a table outlining the provided orders indicating the notification number and the corresponding work order number.

Notification	Order Number	Status	Notification work Performed On	Order Work Performed on
100020016288	520002717460	Complete		
100022035527	520002717239	Complete		
100020016287	520003080299	Cancelled	100022031761	520003079756
100022164252	520003105736	Complete		

It is noted that notification # 100022035527 was a duplicate order and was subsequently cancelled. The work was completed on notification number 100022031761.

SED's Conclusion:

SED has reviewed SoCalGas' response and accepts the actions remedial plan that it has articulated. No further response is required from SoCalGas at this time. However, SED may review and revisit corrective actions during future inspections.

Maintenance and Operations : Gas Pipeline Operations (MO.GO)

Question Title, ID Continuing Surveillance, MO.GO.CONTSURVEILLANCE.R (also presented in: PD.RW)

Question 2. Do records indicate performance of continuing surveillance of facilities as required, and also the reconditioning, phasing out, or MAOP reduction in any pipeline segment that was determined to be in unsatisfactory condition but on which no immediate hazard existed?

References 192.605(b)(3) (192.613(a), 192.613(b), 192.703(b), 192.703(c))

Assets Covered Southeast - Orange County Coast (87043 (60))

Issue Summary SED reviewed follow up inspection and remediation orders for Meter Set Assembly Atmospheric Corrosion (MSA ACOR) inspections for SoCalGas' MSAs: Aliso Viejo Gas Network Node (GNN) 228094300 (Data Analyst Reporting Tool (DART) Order 0921033616; original DART Order 0358274667), Aliso Viejo GNN 272087400 (Task System, Application, and Product (SAP)-PM520003406197; original DART Order 0130263427), and Aliso Viejo GNN 293087400 (Task SAP-PM520003406183; original DART Order 1252596889).

SoCalGas GS 185.0228 Section 33.1 states:

"Due to various conditions found, inspections are often not complete and require follow up remediation work. Remediation work must be completed to satisfy the CFR requiring inspection within the 39-month time frame. Additionally, tracking of the initial inspection work must be maintained in order to meet requirements."

DART Order 0921033616 is a follow up order for GNN 228094300, and the remediation was completed within the 39-month timeframe that was stipulated in the Gas Standard (GS) 185.0228 Section 33.1.

For GNN 272087400 and GNN 293087400, SoCalGas Distribution's Gas Operations group created SAP work orders SAP-PM520003406197 and SAP-PM520003406183 in response to the findings identified on 6/13/2023 by the MSA ACOR group with original work orders DART Order 0130263427 and DART Order 1252596889. The Gas Operations group's SAP work orders had a due date of 6/27/2023, which is 14 calendar days after the conditions were identified. However, per review of those work orders, SED noted that the SAP work orders were completed on 3/21/2024.

Please explain why the work orders listed above were not completed by the due date (6/27/2023) indicated on the SAP work orders. Also, explain the discrepancy between the requirements in the Gas Standard from the SAP work order requirements.

SoCalGas' Response:

The 14-day window for certain types of non-hazardous orders was established in SAP as a default when the program was first developed.

The final repair date is contingent upon additional site-specific considerations, work coordination, safety requirements and compliance with GS 185.0228 covering remediation/follow-up work orders.

SED's Conclusion:

SED has reviewed SoCalGas' response and accepts the explanation. However, SED recommends SoCalGas implement clarification to eliminate confusion between SAP's default window and GS 185.0228 requirements. No further response is required from SoCalGas on this matter at this time, but SED may review this area during future inspections.