

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 11, 2024

GI-2024-07-SCG-66-02ABC

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' Northwest-San Fernando Valley Gas Distribution Area

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) conducted a General Order (G.O.) 112-F Comprehensive Inspection of Southern California Gas Company's (SoCalGas) Northwest-San Fernando Valley Natural Gas Distribution system Area on July 15 thru 19, and July 22, 2024. This Area inspection covered SoCalGas' Canoga, Glendale, and Saticoy Distribution districts. The inspection included the review of SoCalGas' records for calendar years 2020 through 2023 and field inspections of selected pipeline facilities within the inspection area. SED utilized the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Inspection Assistance (IA) software as a reference guide for this inspection.

SED's staff identified one (1) probable violation of G.O. 112-F and noted one (1) area of concern, which are described in the enclosed "Post-Inspection Written Preliminary Findings" report.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures SoCalGas took to address the probable violation and concern noted in 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: Alex Hughes, SCG
Larry Andrews, SCG
Matthewson Epuna, SED/GSRB
Sann Naing, SED/GSRB
Claudia Almengor, SED/GSRB

Enclosure: Post-Inspection Written Preliminary Findings

Post-Inspection Written Preliminary Findings

Dates of Inspection: July 15 to 19, and July 22, 2024

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Inspection Systems: Northwest - San Fernando Valley Gas Distribution O&M

Assets (Unit IDs) with results in this report: Northwest - San Fernando Valley (87049)

System Type: GD

Inspection Name: 2024 SoCalGas NW Distribution _ San Fernando Valley

Lead Inspector: Sann Naing

Operator Representative: Francisco Santa Cruz

Unsatisfactory Results

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

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

Question 4. Do records document inspection of aboveground pipe for atmospheric corrosion?

References 192.491(c) (192.481(a), 192.481(b), 192.481(c), 192.481(d))

Assets Covered Northwest - San Fernando Valley (87049 (66))

Issue Summary §192.481(a) partially states:

"Each operator must inspect and evaluate each pipeline or portion of the pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

<i>Pipeline type:</i>	<i>Then the frequency of inspection is:</i>
<i>(1) Onshore other than a Service Line</i>	<i>At least once every 3 calendar years, but with intervals not exceeding 39 months.</i>

"

SoCalGas installed the pipeline span SKL72 (Function location: GD.NOR.SAT.BS.SKL72) in its Saticoy distribution district on August 2017. However, this span was never entered into the company' inspection work management system. Consequently, SoCalGas failed to conduct the required 3-year Bridge and Span inspections from 2017 through 2023.

On August 7, 2024, SoCalGas provided the following information:

"SoCalGas recognizes the need to perform timely inspections. In this case SoCalGas notified the commission in May 2024 of the missing inspection in the companies monthly Exception Self-Report. To address the missing inspections, and the original non-compliant event, SoCalGas made the corrective actions as below:

- System Update: In May of 2024, the SoCalGas Saticoy Distribution supervision reviewed installation records of the asset and concluded the asset did not appear in the districts Bridge and Span inspection list. Once found, the asset has been added to SoCalGas's SAP system for future inspection.*
- Site Inspections: In May when SoCalGas was made aware of the missing inspections. SoCalGas supervision dispatched a distribution crew to do a comprehensive inspection on the asset. Inspection revealed no Abnormal Operating Conditions, (AOCs)."*

SED reviewed the information that SoCalGas provided and acknowledged SoCalGas' corrective action after it identified the error. However, SED believes that understanding the cause of the process failure and remediating the root cause of the failure is a better way to prevent reoccurrence. SED requests that SoCalGas investigate the reason for the process failure (entering a new pipeline span into its inspection work management program). SED request that SoCalGas provide its investigation result and prevention plan.

Concerns

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

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

Question 5. Do field observations indicate that pipe exposed to atmospheric corrosion is properly coated?

References 192.481(b) (192.481(c), 192.479(a), 192.479(b), 192.479(c), 192.481(d))

Assets Covered Northwest - San Fernando Valley (87049 (66))

Issue Summary During field inspection on 7/17/2024, SED visited the sites where a SoCalGas' field crew was performing the Bridge Span inspections and observed evidence of atmospheric corrosion on the pipeline span supports (BS) BKJ21 (Functional location: GD.NOR.CNP.BS.BKJ21). The Span-BKJ21 is underneath a bridge over the Los Angeles River and uses the hanger supports, hanging from the bottom of bridge. SoCalGas' inspection crew correctly identified evidence of atmospheric corrosion on the pipeline hanger and documented it in the inspection report. SoCalGas indicated that it created a work order: 520003937709 on 7/18/2024, for the remediation of this inspection finding.

On August 7, 2024, SoCalGas provided the following additional information:

"SoCalGas agrees with SED's observation and has been begun taking remedial actions. Bridge And Span SAP inspection order 520003936454 was created and completed on June 17, 2024, noting an abnormal operation condition (AOC) of corrosion and pipe supports. A follow up SAP order, 520003937709, was created for remediation of the AOCs on July 18, 2024. Work has begun to acquire appropriate permits to work in the wash from local and state municipalities. SoCalGas does not have the proper, safe, approved scaffolding to access the pipeline. Once an approved scaffold design is available, SoCalGas will begin remediation on the span."

SED requests that SoCalGas provide status update in its 30-day written response.