

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 16, 2024

GI-2024-11-SWG-30-18

Mr. Kevin Lang (kevin.lang@swgas.com)  
Vice President Engineering Staff  
Southwest Gas Corporation  
8360 South Durango Road  
Las Vegas, NV 89113

**SUBJECT: Section 114 Inspection of Southwest Gas Corporation's Operation and Maintenance Plans**

Dear Mr. Lang:

Pursuant to Pipelines and Enhancing Safety (PIPES) Act of 2020 and Title 49, U.S. Code, Section 60105 Certification with the Pipeline and Hazardous Materials Safety Administration (PHMSA), the Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a **Section 114 inspection of Southwest Gas Corporation's (SWG) Operation and Maintenance (O&M) Plans for the natural gas Distribution Districts (Inspection Unit) in California** from November 5 to 7, 2024. SED's staff reviewed the sections of SWG's O&M Plans that addressed elimination hazard leaks, minimization releases of methane and replacement or remediation of SWG's pipelines that are known to leak due to their material, design, or past operating and maintenance history, and used the PHMSA's Inspection Assistant (IA) as a reference guide to conduct this inspection. Inspection findings are documented in the IA generated report and attached below.

SED did not find any probable violation but found one (1) area of concern of Title 49, U.S. Code, Section 60108 (a)(2) of the PIPES Act of 2020 and it is described in the attached "Post-Inspection Written Preliminary Findings".

Please provide a written response within 30 days of receipt of this letter indicating any updates or corrective actions taken by SWG to address the area of concern item noted in the "Post-Inspection Written Preliminary Findings"

Thank you for your cooperation in this inspection. If you have any questions, please contact Jesus Reyes, Utilities Engineer, at (213) 264-9087 or by email at [jesus.reyes@cpuc.ca.gov](mailto:jesus.reyes@cpuc.ca.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mahmoud Intably'.

Mahmoud (Steve) Intably, P.E.  
Program and Project Supervisor  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

Attachments: see Post-Inspection Written Preliminary Findings  
cc: see next page

Laurie Brown  
Administrator/Compliance, Engineering Services  
Southwest Gas Corporation  
8360 South Durango Road  
Las Vegas, NV 89113  
[Laurie.brown@swgas.com](mailto:Laurie.brown@swgas.com)

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

Kan-Wai Tong, P.E.  
Senior Utilities Engineer (Supervisor)  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

Jesus Reyes  
Utilities Engineer  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

Claudia Almengor  
Associate Governmental Program Analyst  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

## Attachment

# Post-Inspection Written Preliminary Findings

**Dates of Inspection:** 11/05/2024-11/07/2024

**Operator:** SOUTHWEST GAS CORP

**Operator ID:** 18536

**Inspection Systems:** Distribution system in Lake Tahoe, Big Bear, Victorville and Barstow

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

**System Type:** GD

**Inspection Name:** 2024 Southwest Gas Section 114 Audit-Distribution

**Lead Inspector:** Jesus Reyes

**Operator Representative:** Laurie Brown

## Unsatisfactory Results

None.

## Concerns

**Section 114:** Section 114 - Gas Distribution (114.GD)

**Question Title, ID**      Leak Mitigation & Repair - Lost & Unaccounted for Gas, 114.114.LKMITRPRLAUF.P (also presented in: 114.MM)

**Question**      11. Do procedures provide for review of Lost & Unaccounted for Gas (LAUF) and do procedures specify actions to reduce the associated volume?

**References**      49 U.S.C. 60108(a)

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

**Issue Summary**      SWG' Operations Manual, General Code Requirements, Section 1.7.2 states:

*“As part of our annual report the Company will review current LAUF versus historical data and determine if any corrective action is required.”*

However, the procedure does not state the criteria for review, nor does it state what corrective actions will be taken by the Company.

SED recommends that SWG revise Section 1.7.2 to state the criteria for LAUF review and to specify the corrective actions to be taken if required.