

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
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April 4, 2025

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

Subject: Southern California Gas Company's 6-Month Assessment Extension Request for L4000

Dear Mr. Schwecke:

The Safety Enforcement Division (SED) of the California Public Utilities Commission reviewed Southern California Gas Company's (SoCalGas) 6-Month Assessment Extension Request for L4000 per Reference Title 49, Code of Federal Regulations (CFR), Part 192, §192.939. The request was submitted on December 31, 2024, seeking a 6-month extension of the reassessment interval (to June 30, 2025).

SED reviewed SoCalGas' justification document for the extension request to complete stress corrosion crack (SCC) direct assessment (SCCDA). Furthermore, SoCalGas informed SED that it has implemented additional safety measures such as accelerated leakage surveys and patrolling for the time being and will consider other risk reduction measures including pressure reduction or isolation of impacted pipeline segment if the assessment cannot be completed within the 6-month extension. See Appendix A for the summary of L4000.

SED met with SoCalGas on January 29, 2025, to discuss the background and the reason for this request. SoCalGas informed SED staff that the associated covered segments of L4000 were not identified for the SCC threat until late 2022 when SoCalGas expanded its SCC screening process. PHMSA's Advisory Bulletin ADB-2017-01 (which prompted the change) requires pipeline operators to consider SCC an active threat and to assess for SCC during every inspection cycle.

SoCalGas had begun addressing the SCC threat for L4000 by launching an SCCDA, but it encountered permitting obstacles to its SCCDA examination. SoCalGas stated that it was not aware of the local permitting requirements and lengthy process until examination sites were selected in preparation for direct examination. Furthermore, SoCalGas stated that it had not sought permits in the area prior to the request for any other activities. As a result, SoCalGas claimed that the complexity and duration of the permit request were unforeseeable prior to this extension request.

SED Analysis

First, SED acknowledges SoCalGas' response to PHMSA's Advisory Bulletin ADB-2017-01 which requires pipeline operators to approach the SCC threat as an active threat that must be assessed during every inspection cycle. SED recognizes that SCCDA digs are an important component to assess SCC threats (SCC in high-pH and near-neutral-pH environments).

Second, SED recognizes SoCalGas' plan for additional safety measures such as accelerated leakage surveys and patrolling during the requested extension period.

Furthermore, SED acknowledges the challenge of obtaining necessary environmental permits in a timely manner.

However, SED reviewed SoCalGas' request and hereby denies SoCalGas' request to grant a formal extension request. Potential violations should be self-reported pursuant to CPUC Decision 18-05-023.

CPUC Decision 18-05-023, Appendix A, Section G states, in part:

3. Criteria for self-reporting potential violations:

a. A "potential" violation is a potential violation of GO 112-F, including the federal regulations incorporated into the program, CFR Title 49, Parts 190, 191, 192, 193, and 199 (for gas) and of GOs 95, 128, 165, 166, 174 (for electric) or other related applicable decisions, codes, or regulations; a potential violation that is voluntarily reportable is listed in Rules I.G.3.b and I.G.3.c below.

SoCalGas' failure to meet the requirements of Title 49, Code of Federal Regulations (CFR) Part 192 may result in a potential violation which should be reported pursuant to CPUC Decision 18-05-023.

Conclusion

Based on the aforementioned reason, SED does not believe granting a formal waiver (or extension) is the appropriate response to SoCalGas' request. SoCalGas should continue to implement additional safety measures such as accelerated leakage surveys and patrolling, with a goal to complete the SCCDA reassessment work as soon as practicable. Any failure to meet code requirements, including reassessment deadlines, should be reported through self-identified non-compliance notifications pursuant to CPUC Decision 18-05-023.

Furthermore, SoCalGas should retain documentation to substantiate its rationale for not completing a reassessment before its compliance due date.

On March 21, SED notified PHMSA of its decision to deny SoCalGas' extension request. As of April 3, SED had not received any comments from PHMSA.

If you have any questions, please contact Gordon Huang, at (213) 503-5083 or by email: ghg@cpuc.ca.gov.

Sincerely,



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CC: See next page

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Appendix A

As of December 30, 2024, SoCalGas has assessed 76.62 miles of L4000 using In-Line Inspection (ILI) for External Corrosion (EC), Mechanical Damage (MD), and Stress Corrosion Cracking (SCC). The Stress Corrosion Cracking Direct Assessment (SCCDA) is in progress pending two (2) remaining examinations which in turn are pending permit applications and approvals from multiple agencies and jurisdictions. These permitting agencies include the San Bernardino National Forest Service, Caltrans, the County of San Bernardino, U.S. Army Corps of Engineers (USACE), Regional Water Quality Control Board, California Department of Fish and Wildlife (CDFW), and compliance with the National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA).

With regards to pipeline safety during the proposed extension, SoCalGas has remediated all immediate repair conditions and crack anomalies found to date. Monthly leak surveys in the affected areas have been established until the SCCDA is completed. No leaks or failures due to SCC nor dents have been found to date. No metal loss anomalies identified by ILI currently exist with a failure pressure less than 1.1 times the existing MAOP. As a contingency, SoCalGas will review the feasibility of implementing additional risk reduction methods such as temporary pressure reductions and potential shut-in/ isolation of impacted pipe segments. SoCalGas also acknowledged that it will submit future §192.939 requests at least 180 days prior to the reassessment deadline (per FAQ-281) moving forward.

If it is determined that the assessments cannot be completed by the June 30, 2025, deadline, the pipeline will be evaluated to see what further risk reduction measures can be implemented. This will include temporary pressure reduction or shut-in/isolation of the impacted segments.