



**SAFER
TOGETHER**



SoCalGas Safety Briefing

August 29, 2024

Agenda



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Safety Committee Chair
SoCalGas Board of Directors



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Chief Safety Officer,
SoCalGas



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SAFER TOGETHER.

Advancing a culture that empowers curiosity, communication,
commitment, and collaboration.



Safety Governance

SAFETY GOVERNANCE MODEL PROMOTES COORDINATION AND OVERSIGHT

Coordination and collaboration to promote the safety of employees, contractors, the public, and SoCalGas's infrastructure.

SoCalGas Board Safety Committee advises and assists the Company's board of directors in the oversight of employee, contractor, public, and infrastructure safety matters.

- Review and monitor safety culture, goals, and risks
- Monitor safety performance metrics
- Monitor and review significant utility safety incidents
- Provide strategic guidance and recommendations to management on safety issues
- Continuous review of governance practices

EVOLUTION OF BOARD SAFETY COMMITTEE

Evolving oversight, promoting greater discipline, structure and a broader view of safety. This includes an enhanced governance structure and enhanced engagement with stakeholders and experts.

- Improve the Committee’s charter and oversight function
- Focus on leading safety indicators
- Review and align safety-related goals for incentive compensation
- Expand opportunities to allow committee members to interact directly with non-executive employees and outside experts





Comprehensive Approach to Safety

COMPREHENSIVE UNDERSTANDING OF SAFETY

Safety is everything we do across the enterprise – from office support roles to work in the field – to recognize and mitigate hazards and keep the public, our infrastructure, our contractors, and each other safe.

- Safety is not the absence of injuries or incidents
- Safety is
 - The presence of controls for known hazards
 - Actions to anticipate and guard against unknown hazards
 - The commitment to continuously improve our ability to recognize and mitigate hazards



LEVERAGING EXTERNAL EXPERTISE AND ADVICE – ADVISORY SAFETY COUNCIL

SoCalGas's Advisory Safety Council is comprised of independent members with deep safety expertise and experience. They include former senior leaders from various industries and leading thinkers in academia.

- SoCalGas created the Advisory Safety Council to invite new ideas and perspectives and has intentionally engaged individuals with varied experience and expertise, with focus on public safety, potential significant events, and safety culture
- SoCalGas leverages the Advisory Safety Council to learn from other industries, companies, and academia, and to create new tools and processes to engage employees in learning and improvement
- Advisors engage directly with SoCalGas employees to listen, learn, and provide SoCalGas executives insights and input



**Dr. Lucy
Jones**



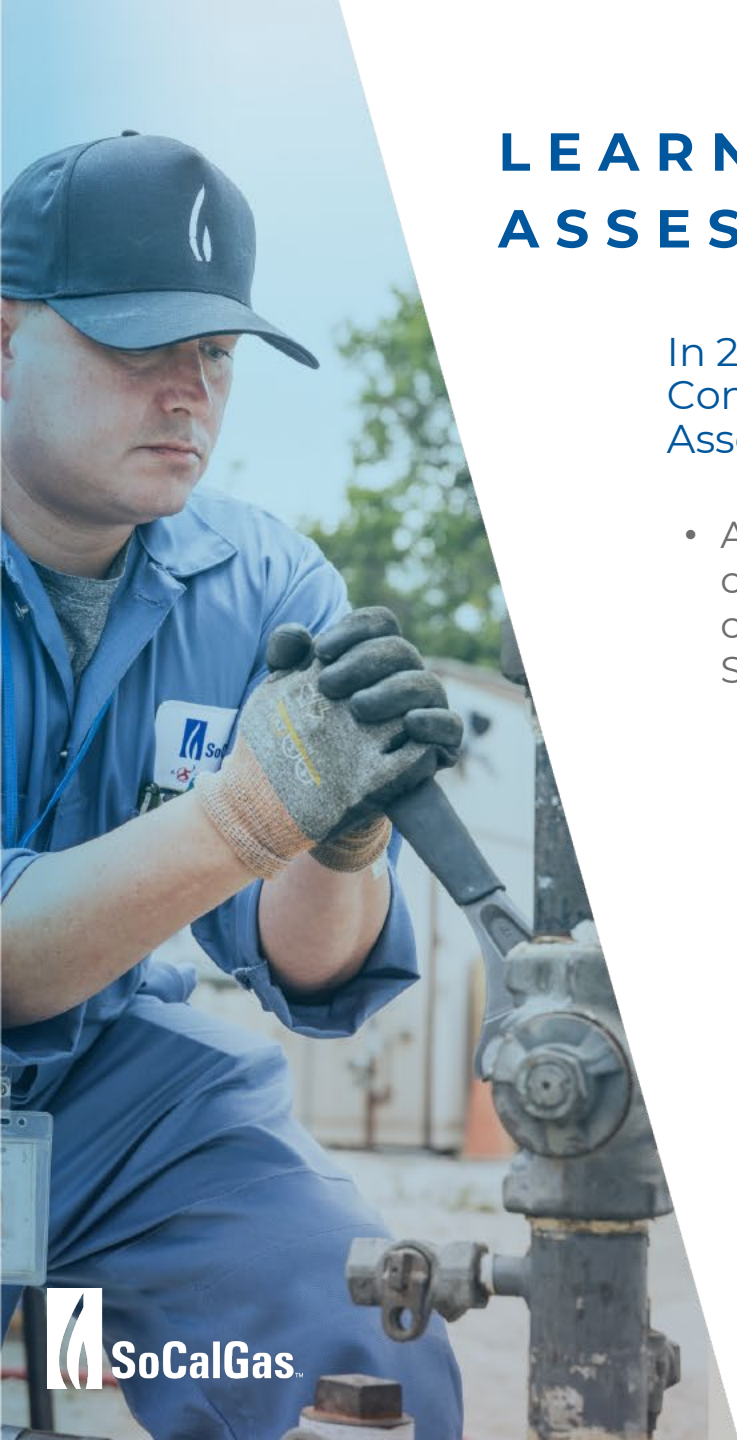
**Grant
Yoshihara**



**David Eherts
PHD, CIH**



**Dr. Matt
Hallowell**



LEARNING FROM OUR SAFETY CULTURE ASSESSMENT

In 2020, at the direction of the CPUC, SoCalGas hired Evolving Energy Consortium (2EC) to assess SoCalGas's safety culture. 2EC's Safety Culture Assessment (the 2EC Report) was published in 2022.

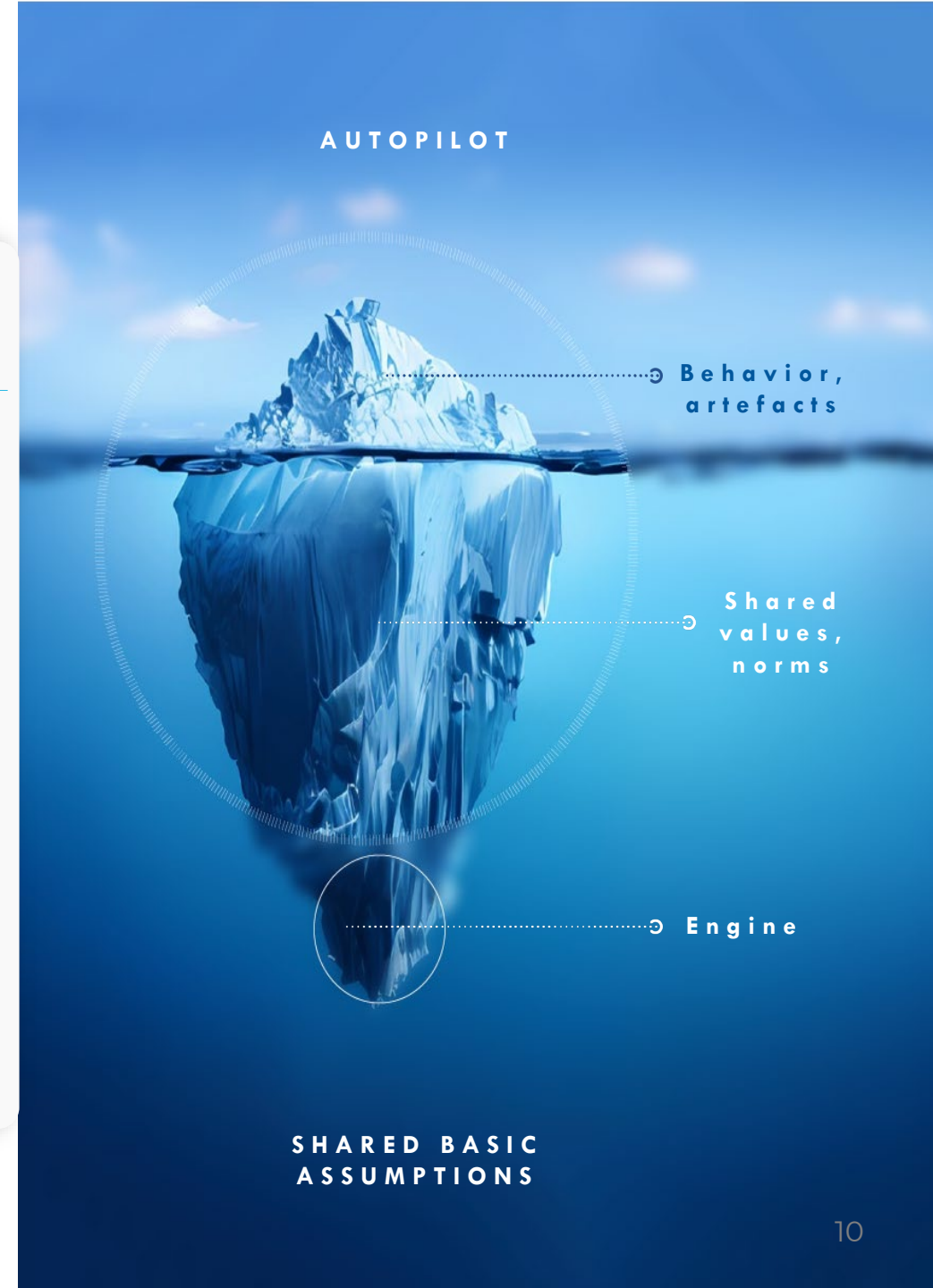
- As part of SoCalGas's safety culture improvement efforts, since 2023, SoCalGas has convened 94 safety dialogue sessions, involving approximately 600 employees and 13 of our major contractor partners; plus, two half-day safety culture sessions with Sempra and SoCalGas leaders
- SoCalGas analyzed and leveraged the 2EC Report and the related dialogues to enhance its own cultural understanding and create an aspirational safety culture North Star to guide our change and improvement efforts:

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SHAPING OUR REVISED SAFETY CULTURE IMPROVEMENT PLAN

2EC REPORT THEME	BASIC ASSUMPTION	IMPROVEMENT ELEMENTS
Safety is most often perceived as personnel safety	"Safety is the absence of injuries"	<ul style="list-style-type: none"> *Communicate and implement a comprehensive approach to safety *Foster curiosity, empower employees to identify hazards and potential improvements, and encourage them to 'speak up' and share their ideas
Safety and risk are perceived as achieved by compliance	"It's not worth it to do more"	<ul style="list-style-type: none"> *Commitment to engage employees to understand challenges and better prioritize resources
Resources are needed to shape a healthy safety culture	"Never enough"	<ul style="list-style-type: none"> *Advance collaboration and an integrated management system through enhancements to our Safety Management System
Learning and safety improvement requires an integrated management system	"Us vs them"	



PUBLIC SAFETY THROUGH AWARENESS, PREVENTION, DETECTION, AND RESPONSE



Advance public safety by enhancing awareness and collaboration; leveraging data and stakeholder partnership to prevent incidents; deploying technology to enable early warning and detection; and developing strong emergency preparedness and response practices.

PUBLIC AWARENESS

Educating the public, customers, contractors, and local governments to enhance awareness and collaborate on safety

PREVENTION

Data analytics to risk-rank and inform preventative actions such as technician and other personnel deployment, outreach, and investigation

DETECTION

Using industry leading technology to continuously monitor susceptible locations, enable early warning, and identify leaks in the field and in customer homes

EMERGENCY RESPONSE

Processes, practices, and partnerships with first responders and other stakeholders to enhance emergency preparedness

COMPREHENSIVE INFRASTRUCTURE SAFETY ACTIVITIES



Advance infrastructure safety through risk-based work prioritization; comprehensive integrity validation and enhancement programs; modern and robust systems and technologies for infrastructure monitoring and control; and implementation of emerging practices.

RISK - BASED PRIORITIZATION

Leveraging risk analysis to inform actions and activities, including efforts to optimize cost effectiveness through pressure reductions or abandonments

VALIDATING INTEGRITY

Comprehensive integrity management programs – storage, transmission, distribution, and facilities – and Pipeline Safety Enhancement Plan

MONITOR AND CONTROL

Modernizing the Gas Control Center with enhanced monitoring, controls and analytics, alongside existing valve enhancements and 24/7 monitoring of the transmission system

EVOLVING ACTIVITIES

Enhancements related to record-keeping, pressure confirmations, integrity assessments, corrosion management, and risk analysis

CONTINUED SAFETY ENHANCEMENT THROUGH LESSONS LEARNED

Public Safety

- **Third Party Excavation Damage**
 - Wade Kilpatrick Gas Safety Act
 - Enhanced Outreach and Training

Infrastructure

- **Active Landslide**
 - Geohazard Management Program
- **Stress Corrosion Cracking**
 - Crack Detection Technology

Employee and Contractor Safety

- **SIFs at Inline Inspection Launcher**
 - Constructed Enhanced Training Facilities
 - Updating Policies and Procedures



SO CAL GAS SAFETY PERFORMANCE

- SoCalGas continues to evolve and improve its approach to measuring safety performance:
 - Increased focus on leading indicators as indicators of safety capacity (not the absence of incidents)
 - Expanded safety measures related to public, infrastructure, employee, and contractor safety

		2021	2022	2023	YTD 2024*	TREND
Public Safety	AI Response Time (Percent meet target time)	93.23%	93.20%	93.60%	94.5%	On-Target Response Times
	Public Serious Injuries and Fatalities	2 0	0 0	1 0	0 0	Limited Public SIFs
	Cybersecurity – Annual Average Phishing Report Rate	-	70.9%	80.53%	87.64%	Increased Reporting
	First Responder Outreach	100%	100%	100%	26.4%	Strong Engagement with First Responders
	Damage Prevention Analyst Outreach	-	12,528	8,992	5,572	Data-Driven Analyst Outreach
	Damage Prevention – Damages Per 1,000 USA tickets	2.35	2.30	2.11	1.90	Improved Damage Prevention Performance
Infrastructure Safety	DIMP – Miles of Vintage Mains and Services Replaced	140	156	155	45	Consistent DIMP Replacement Efforts
	Average Time to Repair Non-Hazardous Leaks	-	-	7.7	7.5	Enhanced Metric in 2023
	Gas Transmission Safety – Number of Pipeline Valve Retrofit Projects	11	10	14	7	Consistent Valve Enhancement Efforts
	SIMP Assessments	60	35	31	6	Baseline Complete; Reassess Underway
Employee Safety	# Near Miss / Stop the Job/Good Catches Reports Submitted	110	632	1,672	2,042	Significantly Increased Reporting
	Safety Observations (percent completed)	-	-	-	61%	Enhanced Metric in 2024
	Driving Observation (percent completed)	-	-	100%	72%	Enhanced Metric in 2023
	Employee Lost Time Incidents	0.70	0.60	0.93	0.58	Fluctuations, with Improvement YTD 2024
Contractor Safety	# Near Miss / Stop the Job/Good Catches Reports Submitted	332	511	1,660	558	Significantly Increased Reporting
	Field Safety Observations	3,280	8,149	8,359	5,686	Increased Safety Observations

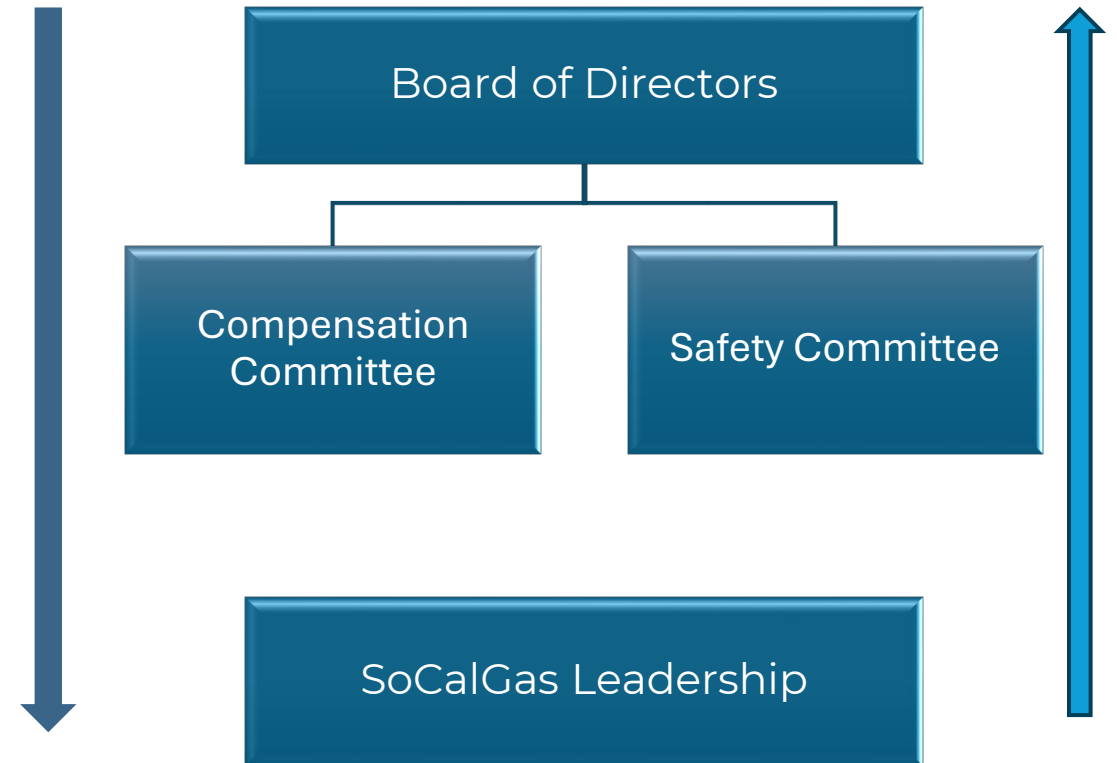
* 2024 YTD reporting month varies

Thank you!

Appendix



SAFETY GOVERNANCE MODEL



2024 INCENTIVE COMPENSATION PLAN (ICP): OPERATIONAL & SAFETY METRICS

2024 ICP Operational & Safety Metrics demonstrate ongoing commitment to safety and safety culture.

EMPLOYEE SAFETY

- Lost Time Incidents
- Near Miss / Good Catch / Stop the Job Reports
- Safety Observation Rate
- Driving Observation Rate

CUSTOMER, PUBLIC, & SYSTEM SAFETY

- Leak Order Response
- Damage Prevention
- Methane Emission Reductions
- Valve Retrofit Projects
- Vintage Pipeline Replacement
- Non-Hazardous Leak Repairs
- Cybersecurity

SAFETY CULTURE

- Identify safety culture update to Leadership Development Series
- Launch leadership development targeted at leadership of field represented employees