

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric Company (U902M) for Review of its Safety Model Assessment Proceeding Pursuant to Decision 14-12-025	Application 15-05-002 (Filed May 1, 2015)
And Related Matters	Application 15-05-003 Application 15-05-004 Application 15-05-005 (Consolidated)
(NOT CONSOLIDATED)	
Application of San Diego Gas & Electric Company (U 902 M) for Authority, Among Other Things, to Update its Electric and Gas Revenue Requirement and Base Rates Effective on January 1, 2019.	Application 17-10-007 (Filed October 6, 2017)
And Related Matter	Application 17-10-008 (Filed October 6, 2017) (Consolidated)

**(REVISED) 2019 SAFETY PERFORMANCE METRICS REPORT OF
SOUTHERN CALIFORNIA GAS COMPANY (U 904 G)**

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**(REVISED) 2019 SAFETY PERFORMANCE METRICS REPORT OF
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In compliance with Decision (D.) 19-04-020, Safety Model Assessment Proceeding Phase Two Decision Adopting Risk Spending Accountability Report Requirements and Safety Performance Metrics For Investor-Owned Utilities (S-MAP Phase Two Decision), Southern California Gas Company (SoCalGas) submits this revised inaugural annual Safety Performance Metrics Report (2019 SPMR).¹ This 2019 SPMR reports on the applicable 26 safety performance metrics to measure achieved safety improvements,² including how metrics are used

¹ In compliance with Decision (D.) 19-04-020, the S-MAP Phase Two Decision, this 2019 SPMR is being filed in and served on Application (A.) 17-10-007/008 (cons.), the “applicable GRC proceeding in which funding for the risk mitigation activities and spending was authorized,” and on Application (A.) 15-05-002. D.19-04-020 (issued May 6, 2019) at Ordering Paragraph 1, p. 61.

² Of the currently adopted safety performance metrics, 15 are applicable to SoCalGas.

to improve safety training, take corrective action and support risk-based decision making; information on any metrics that may be linked to financial incentives; and a summary of how the reported data reflects progress against the risk mitigation and management goals in the Test Year (TY) 2019 General Rate Cases (GRCs) of Southern California Gas Company (SoCalGas) and SDG&E and the 2016 SoCalGas and SDG&E Risk Assessment Mitigation Phase (RAMP) filing. Attachment “A” constitutes the 2019 Safety Performance Metrics Report and Attachment “B” constitutes 10 years of monthly historical data, where available, for all applicable metrics.³ This Report was timely filed in accordance with D.19-04-020, the S-MAP Phase Two Decision, however, errors in certain numbers were subsequently identified and this Report corrects those numbers.

Respectfully submitted,

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³ The Commission’s Safety and Enforcement Division staff, via the S-MAP Technical Working Group, instructed the utilities to provide metric data in a native file. Excel is not an accepted format for filing at the Commission, accordingly a PDF version of Attachment B will be filed and a native Excel version of Attachment B will be separately served on parties to the S-MAP proceeding A.15-05-002 and SoCalGas’ Test Year 2019 GRC proceeding.



2019 Safety Performance Metrics Report

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TABLE OF CONTENTS

I.	Introduction/Overview	1
	A. Compliance with S-MAP Phase Two Decision Directives.....	4
II.	Metrics Overview (D.19-04-020, Ordering Paragraph 6D.).....	6
	A. Summary	6
	B. Examples of Improved Training and Corrective Actions	9
	1. Example 1: OSHA 30-hour Construction Certification Training (Metric Nos. 14, 15, 16, 17).....	10
	2. Example 2: Install Warning Mesh Above Company Buried Pipelines (New Open Trench Facilities) (Metric No. 5)	10
	3. Example 3: Expanded Contractor Safety Oversight Program (Metric Nos. 18, 19, 20, 21)	12
	C. Examples of How Safety Performance Metrics Data is Used to Support Risk-Based Decision-Making.....	13
	1. Example 1: Capital Project Planning Process	14
	2. Example 2: Dedicated Safety Management System (SMS) Organization.....	16
	3. Example 3: The Distribution Risk Evaluation and Monitoring System (DREAMS) Program	19
III.	Description of Bias Controls – Overview (D.19-04-020, Ordering Paragraph 6C.)	20
	A. Executive Incentive Compensation.....	20
	B. Bias Controls.....	24
IV.	Interim Risk Mitigation Accountability Report (RMAR) Requirements (D.19-04-020, Ordering Paragraphs 6E – 6F.)	26
	A. How Safety Metrics Reflect Progress Against SoCalGas’s RAMP and GRC Safety Goals	26
	B. High-level Summary of SoCalGas’s Total Estimated Risk Mitigation Spending Level as Approved in TY 2019 GRC	27
V.	Approved Safety Performance Metrics (D.19-04-020, Ordering Paragraph 2).....	34



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A.	Metric No. 5: Gas Dig-In.....	35
B.	Metric No. 6: Gas In-Line Inspection.....	39
C.	Metric No. 8: Shut In The Gas Average Time – Mains.....	43
D.	Metric No. 9: Shut In The Gas Average Time - Services.....	47
E.	Metric No. 10: Cross Bore Intrusions.....	50
F.	Metric No. 11: Gas Emergency Response	54
G.	Metric No. 12: Natural Gas Storage Baseline Inspections Performed.....	57
H.	Metric No. 13: Percentage of the Gas System that can be Internally Inspected...	61
I.	Metric No. 14: Employee Serious Injuries and Fatalities	66
J.	Metric No. 15: Employee Days Away, Restricted and Transfer (DART) Rate ...	72
K.	Metric No. 18: Contractor OSHA Recordables Rate.....	74
L.	Metric No. 20: Contractor Serious Injuries and Fatalities	79
M.	Metric No. 21: Contractor Lost Work Day Case Rate.....	82
N.	Metric No. 22: Public Serious Injuries and Fatalities.....	85
O.	Metric No. 23: Helicopter/Flight Accident or Incident	90



2019 Safety Performance Metrics Report

I. Introduction/Overview

The Commission's *Phase Two Decision Adopting Risk Spending Accountability Report Requirements and Safety Performance Metrics for Investor-Owned Utilities and Adopting a Safety Model Approach for Small and Multi-Jurisdictional Utilities*¹ (S-MAP Phase Two Decision) requires the investor-owned utilities (IOUs), including Southern California Gas Company (SoCalGas), to annually report on 26 safety performance metrics to measure achieved safety improvements.² SoCalGas submits this inaugural Safety Performance Metrics Report in compliance with the Commission's directives in the S-MAP Phase Two Decision. For this 2019 report, SoCalGas includes ten years of monthly, historical data from January 1, 2010, through December 31, 2019, where such data exists, in the accompanying Excel file as Attachment B.³

While this is the first annual Safety Performance Metrics Report submitted under the new S-MAP Phase Two Decision requirements, SoCalGas has been tracking safety-related metrics for numerous years. This metric data is used in and informs, in part, SoCalGas's risk-based decision making and continuous improvement processes. Safety metrics provide a baseline for how well our organization is performing. Tracking both leading and lagging indicators and comparing historical results provides a point of reference for safety processes and helps identify opportunities for continuous improvement. Common metrics (*e.g.*, employee injury, controllable

¹ Decision (D.)19-04-020 (issued May 6, 2019).

² Not all metrics adopted in D.19-04-020 are applicable to SoCalGas.

³ The Commission's Safety and Enforcement Division staff, via the S-MAP Technical Working Group, instructed the IOUs to provide metric data in the native file. Excel is not an accepted format for filing at the Commission; Attachment B is therefore being served on parties to the S-MAP proceeding, Application (A.)15-05-002 and SoCalGas' Test Year 2019 GRC proceeding, A.17-10-008, as directed by the S-MAP Phase Two Decision.



motor vehicle incidents, and near miss incidents) are tracked and analyzed and recommendations for safety performance improvements are made, including training, tools, equipment, processes and procedures.

SoCalGas’s approach to safety is built on our tradition of providing safe and reliable service for more than 150 years and is the basis for company programs, policies, procedures, guidelines and best practices. SoCalGas has developed safety values and integrated them throughout our Safety Management System (SMS) to improve and enhance safety through our people, policies, procedures and programs. The Company’s commitment to safety and the SMS is embraced and endorsed by every SoCalGas Officer. We strive to have this commitment and the Company’s values translate into and guide what employees do every day. The Companies’ values are embodied in a living set of policies and documents, and include the following safety values as a matter of Company policy:

1. **Leadership Commitment-** SoCalGas leadership is fully committed to safety as a core value. SoCalGas’s Executive Leadership is responsible for overseeing reported safety concerns and promoting a strong, positive safety culture and an environment of trust that includes empowering employees to identify risks and to “Stop the Job.”
2. **Risk Management-** SoCalGas manages risk through a structured, increasingly data-driven approach that identifies threats and hazards, assesses and prioritizes risks, implements mitigation efforts, and engages in assessments and reviews to understand risk mitigation effectiveness.
3. **Employee and Stakeholder Engagement-** SoCalGas encourages and expects employees to take ownership, actively engage in safety practices, and openly share and receive information with one another, our contractors, and external stakeholders to continuously enhance our safety practices.
4. **Competence, Awareness and Training-** SoCalGas is committed to providing employees the proper tools, resources, training, and oversight to promote safe operations. This includes training tailored to specific roles

and educating employees on why our training, policies, and procedures are important to safety.

5. **Emergency Preparedness and Response-** SoCalGas maintains readiness to promptly respond to emergency incidents and events through an Incident Command System that incorporates response planning, training and equipping of personnel, and coordination with first responders and external stakeholders.
6. **Safety and Compliance Assurance-** SoCalGas maintains operational policies and procedures that document safety practices and standards as well as compliance with applicable regulations and follows a “management of change” process to structure change when new policies and procedures are implemented.
7. **Continuous Improvement-** SoCalGas strives to continuously improve and strengthen its safety performance and culture by setting clear and measurable goals, assessing safety performance through audits and self-assessments, inviting employee feedback, and applying lessons learned from incidents and near-miss events. SoCalGas also learns from and shares safety best practices among peer gas utilities and best-in-class companies in other industries.⁴

To promote these safety values throughout, and to further a culture of continuous safety improvement, “[t]he company continuously fosters a work environment where employees and contractors are encouraged to raise gas infrastructure, customer safety, and personal safety concerns and offer suggestions for improvement.”⁵ SoCalGas encourages two-way formal and informal communication between its employees and management, in order to identify and manage safety risks before incidents occur. SoCalGas endeavors to foster a work environment where employees are focused on and engaged in sustaining a culture that emphasizes safety and

⁴ SoCalGas Natural Gas System Operator Safety Plan (March 15, 2020) at 10-11. The 2020 plan has been submitted to the Commission and is posted to the SoCalGas regulatory website, available at <https://www.socalgas.com/regulatory/R11-02-019>.

⁵ *Id.*



encourages its employees at all levels to raise pipeline infrastructure, customer safety, and employee safety concerns and to offer suggestions for improvement.

While SoCalGas has been tracking many leading and lagging safety-related metrics for numerous years, there are some instances where the definition of the reportable Safety Performance Metric, as adopted by the S-MAP Phase Two Decision, differs from previous external reporting requirements, or has not previously been collected. SoCalGas notes these nuances within each metric narrative included in Section V, below. SoCalGas will continue to track the Safety Performance Metrics as adopted and build upon the data in future Safety Performance Metric Report submissions where ten years of monthly historical is not yet available and will continue to improve and aim to streamline its data collection efforts. Therefore, SoCalGas notes that some of the data presented in this inaugural Safety Performance Metric Report should be considered preliminary and subject to further analysis and review.

A. Compliance with S-MAP Phase Two Decision Directives

The S-MAP Phase Two Decision approved 26 Safety Performance Metrics (Version 1.0) and requires the IOUs to annually file the metrics and accompanying narratives in any future S-MAP proceedings and in their respective GRC proceedings. The S-MAP Phase Two Decision includes additional reporting requirements that entail describing how metrics are used to improve risk-based decision-making, corrective actions and/or enhanced training, and explaining whether any linkage to financial incentives creates a potential for bias in individual metrics. Sections II and III, below, provide additional detail on these requirements.

The S-MAP Phase Two Decision requested the Commission's Safety and Enforcement Division (SED) reconvene the S-MAP technical working group (TWG) to complete a proposal



on SMS metrics and a revised version of an “Electric Overhead Conductor” Index and “Safety Culture” metrics. SoCalGas is an active participant in the S-MAP TWG. The S-MAP Phase Two Decision directs the IOUs to work with SED staff to develop a standardized Safety Performance Metrics Report format. SoCalGas worked with SED staff (via the S-MAP TWG) prior to submittal of this first Safety Performance Metrics report to develop a standardized template and an agreed upon format for submittal of this data.

For the Public Serious Injuries and Fatalities (Pub-SIF) metric (Metric No. 22), the S-MAP Phase Two Decision requires the IOUs to provide SED staff with a preview of their Public-SIF data 60 days prior to the due date for each annual Safety Performance Metrics Report.⁶ SoCalGas complied with this requirement and provided SED with its Pub-SIF data on January 31, 2020. After submission and review of SoCalGas’s Pub-SIF data, SED informed the IOUs on March 11, 2020 of the designated subcategories for final reporting in this Safety Performance Metrics report. SoCalGas includes the designated subcategories, as provided by SED for its 2019 Pub-SIF data, in Section V.N., below.

SoCalGas acknowledges that S-MAP and metric data collection is an iterative process and SoCalGas will continue to work with SED, Commission staff, and stakeholders to revise and/or add metrics for future report submissions. SoCalGas will continue to improve its data collection efforts, as outlined in SoCalGas’s November 27, 2019 RAMP (2019 RAMP) submission.⁷

⁶ D.19-04-020 at 19.

⁷ Investigation (I.)19-11-010/-011 (cons.), Order Instituting Investigation into Southern California Gas Company’s Risk Assessment and Mitigation Phase November 2019 Submission (November 7, 2019) [Pursuant to ALJ Lirag’s Ruling of November 21, 2019, Proceedings I.19-11-010 and I.19-11-011 are Consolidated (November 21, 2019)]; *see* Chapter RAMP-G, Lessons Learned.

II. Metrics Overview (D.19-04-020, Ordering Paragraph 6D.)

A. Summary

The currently-approved Safety Performance Metrics (Version 1.0) contain four metrics in the “electric” category, nine metrics in the “gas” category, ten metrics in the “injuries” category, and three metrics in the “vehicle” category. Of these 26 metrics, 15 are applicable to SoCalGas and included within this inaugural Safety Performance Metrics Report. In addition to data for the 15 Safety Performance Metrics, included as Attachment B, SoCalGas includes narrative, below, for the additional reporting requirements established in D.19-04-020.

Table 1 - Summary of Applicable Safety Metrics Adopted in D.19-01-020⁸

Category	Risk(s)	Metric	Units	2016	2017	2018	2019
Gas	Transmission Pipeline Failure - Rupture with Ignition; Distribution Pipeline Rupture with Ignition (non-Cross Bore); Catastrophic Damage involving Gas Infrastructure (Dig-Ins)	5. Gas Dig-in	The number of 3rd party gas dig-ins per 1,000 USA tags/tickets	3.91	3.66	3.82	3.00
	Catastrophic Damage Involving High-Pressure Pipeline Failure	6. Gas In-Line Inspection	Miles Inspected ⁹	720	354	729	1313

⁸ Category, Risks, Metric Names and Units as provided in D.19-04-020, Attachment 1. Of the 26 reportable safety metrics adopted in D.19-04-020, 15 are applicable to SoCalGas and are included herein. Ten years of monthly historical data, where available, is provided in accompanying Excel file labeled Attachment B.

⁹ Transmission pipelines are required to be assessed at an interval not to exceed seven years. Therefore, intervals may vary year-to-year over the seven-year inspection cycle and data should be viewed across the entire cycle. Ten years of historical data is included in the accompanying Excel file labeled Attachment B.

Category	Risk(s)	Metric	Units	2016	2017	2018	2019
	Distribution Pipeline Rupture with Ignition (non-Cross Bore)	8. Shut In The Gas Average Time – Mains	Average (median) time in minutes required to stop the flow of gas	N/A	4,475.62	1,026.17	749.19
	Distribution Pipeline Rupture with Ignition (non-Cross Bore)	9. Shut In The Gas Average Time - Services	Average (median) response time in minutes required to stop the flow of gas	N/A	996.90	447.82	393.46
	Catastrophic Damage Involving Medium Pressure Pipeline Failure	10. Cross Bore Intrusions	Number of cross bore intrusions per 1,000 inspections	1.10	1.12	1.18	1.08
	Distribution Pipeline Rupture with Ignition	11. Gas Emergency Response	Average response time in minutes	N/A	107.80	37.08	27.47
	Gas Storage	12. Natural Gas Storage Baseline Inspections Performed	Number of Inspections	76	67	57	48
	Catastrophic Damage Involving High-Pressure Pipeline Failure	13. Percentage of the Gas System that can be Internally Inspected – the ratio of transmission pipe miles that can be inspected internally to all transmission pipe miles ¹⁰	Percentage	66%	67%	67%	67%

¹⁰ SoCalGas and San Diego Gas & Electric Company own and operate an integrated natural gas system. This metric represents the percentage of the gas system that can be internally inspected,

Category	Risk(s)	Metric	Units	2016	2017	2018	2019
Injuries	Employee Safety	14. Employee Serious Injuries and Fatalities	Number of Serious Injuries/ Fatalities	1/0	2/0	0/0	1/1
	Employee Safety	15. Employee Days Away, Restricted and Transfer (DART) Rate	DART Cases times 200,000 divided by employee hours worked	2.29	2.25	2.00	2.64
	Contractor Safety	18. Contractor OSHA Recordables Rate	OSHA recordable times 200,000 divided by contractor hours worked associated with work for the reporting utility	0.99	0.79	1.21	0.96
	Contractor Safety	20. Contractor Serious Injuries and Fatalities	Number of work-related injuries or illnesses associated with work for the reporting utility	N/A	N/A	0/1	1/0
	Contractor Safety	21. Contractor Lost Work Day Case Rate	Number of Lost Workday (LWD) cases incurred for contractors per 200,000 hours worked associated with work for the reporting utility	N/A	N/A	0.05	0.19

otherwise known as in-line inspection or “pigging.” All of SoCalGas’ transmission pipeline is inspected in accordance with 49 CFR Part 192 Subpart O, which identifies in-line inspection, pressure test, and direct assessment.

Category	Risk(s)	Metric	Units	2016	2017	2018	2019
	Public Safety	22. Public Serious Injuries and Fatalities	Number of Serious Injuries/ Fatalities	0/0	4/1	4/0	1/0
Vehicle	Aviation Safety; Helicopter Operations; Public Safety; Worker Safety; Employee Safety	23. Helicopter/ Flight Accident or Incident	Number of accidents or incidents (as defined in 49 CFR Section 830.5 “Immediate Notification”) per 100,000 flight hours	N/A	N/A	N/A	N/A

B. Examples of Improved Training and Corrective Actions

According to the Commission, “a key objective in adopting S-MAP safety metrics is not just tracking but improving the utilities’ safety performance.”¹¹ The S-MAP Phase Two Decision therefore requires the IOUs to provide examples of how data contained in this report is used to improve employee and/or contractor training and to take corrective actions aimed at minimizing top risks or risk drivers. While this is the first Safety Performance Metrics Report submitted to the Commission, SoCalGas’s focus on safety metrics, taking corrective actions, and improving training courses is part of the Company’s long history and safety focus. SoCalGas’s strong safety culture and commitment to further developing processes and programs is designed to manage employee, contractor, customer, and public safety risks. As further described in Section II.C.2, below, SoCalGas has a dedicated Safety Management System that promotes continuous improvement throughout the company. Below are three examples of recent initiatives to further reduce risk.

¹¹ D.19-04-020 at 28.

1. Example 1: OSHA 30-hour Construction Certification Training (Metric Nos. 14, 15, 16, 17)

As outlined in SoCalGas's 2019 RAMP submission,¹² SoCalGas is currently implementing a new OSHA 30-hour construction training. According to OSHA, this training is designed to promote workplace safety and health and to make workers more knowledgeable about workplace hazards and their rights. Members of the SoCalGas executive team have already taken this training, and the Company is rolling out this new training for employees involved in construction jobs. SoCalGas plans to provide the 30-hour training to all field supervisors and field employees involved in construction and operations activities (*e.g.*, Gas Operations, Gas Transmission Operations, Customer Services Field, Storage Operations, Construction Projects/Programs (*e.g.*, PSEP, MHP, PI, and TIMP)). This training should further enhance employee skills in hazard identification and obtain nationally recognized certification. By becoming better at identifying hazards, employees are expected to contribute to reducing the risk of injuries.

2. Example 2: Install Warning Mesh Above Company Buried Pipelines (New Open Trench Facilities) (Metric No. 5)

Excavation damage, or dig-ins, to underground gas infrastructure have been a risk to SoCalGas for as long as pipe has been buried underground. This risk is not unique to the Company; third-party dig-ins are a common national problem for all industries and utilities with buried infrastructure. Under California State Law,¹³ a third-party planning excavation work is required to contact the Regional Notification Center for their area, also known as 811 or

¹² I.19-10-010/-011 (cons.), *see* 2019 RAMP, Chapter SCG-2, Employee Safety.

¹³ California Government Code (Cal. Gov. Code) § 4216.2(b).



Underground Service Alert (USA), at least two (2) full working days prior to the start of their construction excavation activities, not including the day of the notification.

However, third-party dig-in's still remain a risk to the Company, as outlined in SoCalGas's 2019 RAMP submission.¹⁴ Analysis of reported damage incidents shows that approximately 60% of dig-in incidents were due to third parties' failure to notify 811 USA for a locate and mark ticket and another 28% were due to inadequate excavation practices even after the excavator called 811 USA and underground facilities were marked.¹⁵ SoCalGas has developed a program to install warning mesh to new and/or open trenches prior to backfilling. The purpose of installing warning mesh above underground gas pipelines is to visually warn excavators that a gas line is present/nearby and place them on notice to contact 811 before proceeding so that proper precautions can be implemented before further excavation. Plastic underground warning mesh is a high strength polypropylene mesh typically installed a minimum of 12 to 18 inches above the buried facility. If an excavator was not expecting buried facilities in their excavation, the mesh serves to alert them so that proper precautions can be taken. Providing this type of warning before excavating potentially contacts an underground gas facility substantially reduces the risk of third-party damage and the associated consequences. SoCalGas is implementing this preventative measure with all open trench or newly exposed company pipeline facilities.

¹⁴ I.19-11-010/-011 (cons.), 2019 RAMP, Chapter SCG-6, Third Party Dig-in on a Medium Pressure Pipeline.

¹⁵ Common Ground Alliance, *CGA Released 2018 Damage Information Reporting Tool (DIRT) Report*, available at <https://commongroundalliance.com/DIRT>.

3. **Example 3: Expanded Contractor Safety Oversight Program (Metric Nos. 18, 19, 20, 21)**

SoCalGas's Contractor Safety Oversight Program consists of contractor safety program policies and procedures, Contractor Safety Manual for Class 1 Contractors, field inspections and oversight, post-job safety evaluation, stop-the-job, near-miss and close-call reporting, internal audits, enforcement actions, and management of the pipeline safety risk by the Company's pipeline safety oversight committee. The purpose of having these key controls in place is to enhance the safety of SoCalGas construction projects from inception to completion.

As described in SoCalGas's TY 2019 GRC testimony¹⁶ and Nov. 2019 RAMP submission,¹⁷ SoCalGas has proposed initiatives to expand its contractor safety oversight by developing and implementing a Contractor Safety Manual, establishing a new process requiring membership in ISNetworld to pre-qualify contractors on safety practices, and adding additional resources to participate in all incident investigations and audit pipeline contractors. These programs are expected to enhance the Company contractor safety program by adding safety professionals to engage in supervisor and Quality Assurance (QA) representative development and participate in all incident investigations. The goal is to enhance contractor safety performance monitoring, tracking, and reporting.

¹⁶ Application (A.)17-10-007/-008 (cons.), Application of San Diego Gas & Electric Company (U902M) for Authority, Among Other Things, to Update its Electric and Gas Revenue Requirement and Base Rates Effective on January 1, 2019 (October 6, 2017) [Proceedings A.17-10-007 and A.17-10-008 are consolidated by Ruling of November 8, 2017], Ex. SCG-32 (SCG Gevorkian Direct) at MG-29.

¹⁷ I.19-11-010/-011 (cons.), 2019 RAMP, Chapter SCG-3, Contractor Safety.



In 2017, SoCalGas issued a Contractor Safety Manual for use by all of SoCalGas’s Class 1 contractors.¹⁸ SoCalGas plans to add approximately seven safety advisors to conduct comprehensive safety audits of contractors during SoCalGas construction projects to further improve the effectiveness of the oversight element in SoCalGas’s contractor safety program. Safety advisors will perform detailed review of contractors’ safety programs, audit pipeline contractors’ field crews, oversee contractor safety incident investigations, and share corrective actions and lessons learned from incidents and audits within SoCalGas and with other SoCalGas contractors to promote continual risk reduction and improvement. As a result of this program, SoCalGas will be able to assess contractors’ adherence to SoCalGas’s Contractor Safety Manual requirements, identify potential weaknesses in the contractors’ safety programs, and assist with taking corrective actions to prevent incidents. This program will also benefit SoCalGas field supervisors who oversee contractors and manage construction projects to enable them to learn from the audits and integrate lessons learned into their routine oversight to prevent injuries associated with contractor construction projects.

C. Examples of How Safety Performance Metrics Data is Used to Support Risk-Based Decision-Making

Safety is a core value and a major factor in any operational decision at SoCalGas. The S-MAP Phase Two Decision requires each IOU to summarize and provide three to five examples of how it is using Safety Performance Metrics Report data to support risk-based decision-making.

¹⁸ According to SoCalGas’ Contractor Safety Manual, a Class 1 Contractor is a Contractor engaged by the Company to perform work that can reasonably be anticipated to expose the Contractor’s employees, subcontractors, SoCalGas employees, or the general public to one or more hazards that, if not properly mitigated, have the potential to result in a Serious Safety Incident.

1. Example 1: Capital Project Planning Process

The capital planning process is SoCalGas's current annual process for prioritizing funding based on risk-informed priorities and input from operations. The capital allocation planning sessions begin with input from functional capital committees comprised of subject matter experts who perform high-level assessments of the capital requirements based on achieving the highest risk mitigation at the lowest attainable costs. These requirements are presented to a cross-functional team representing each functional area with capital requests. This committee reviews the resource requirement submissions from all functional areas, and projects are evaluated against priority by assessing a variety of metrics including safety, cost effectiveness, reliability, security, environmental, strategic, and customer experience. Recommendations for capital spending are then presented to an executive committee for approval. Once the capital allocations are approved, each individual operating organization is chartered to manage their respective capital needs within the capital allotted by the plan. This includes re-prioritizations as necessary to address imminent safety concerns as they arise. Similar to SoCalGas's risk evaluation processes, the capital planning process is continuing to evolve as the Company endeavors to achieve the goal of determining more quantitatively the risk reduction per dollar invested.

For non-balanced base capital, the Executive Finance Committee (EFC) establishes a total annual capital expenditure target consistent with our authorized GRC funding for that period. From this total allocation, funding is prioritized based on risk-informed priorities and continuous input from operations.

- Step 1 – Initial capital allocations begin with input from Functional Capital Committees (FCCs), which are organized by the nature and type of capital investment or function. These teams of managers and subject matter experts perform a high-level assessment of the capital requirements for serving customers to determine whether infrastructure is maintained and developed to provide safe, reliable service with the highest risk mitigation at the lowest attainable cost. Each FCC elicits broad input for developing each function’s capital plan and formulates a prioritized grouping of annual spending requirements.
- Step 2 – The capital requirements identified by the FCCs are provided to the Capital Planning Committee (CPC), a cross-functional team of directors representing each operational area with capital requests. The CPC reviews the FCC submissions, cross-prioritizes projects among the FCCs, and establishes a final ranking for proposed capital work. Projects determined to have the highest ratings on key priority metrics will receive the highest priority for funding. These key priority metrics include: safety, cost effectiveness, reliability, security, environmental, and customer experience.
- Step 3 – The CPC presents its recommendations for capital spending consistent within each functional area and consistent with the overall funding target to the EFC, which reviews the recommendations and either approves the proposed capital funding allocations or requests changes.

Once the capital allocations are approved, the individual operating organization is chartered to manage its respective capital needs within the allotted capital. The real-time



prioritization of work within the context of the budget allocations is completed by the front-line and project managers on an ongoing and continuous basis. Regulatory compliance deadlines, customer scheduling requirements, and overall infrastructure condition are all factors taken into consideration as work elements are prioritized. Progress on existing capital projects is monitored and reviewed on a monthly basis by the CPC and EFC, and any new projects stemming from incremental Commission directives or changing business needs are evaluated and assessed throughout the year to determine whether current capital allocation should be reprioritized. Before starting a project or making any commitments, the project manager must secure specific project approval signatures in accordance with SoCalGas's Internal Order process and approval and commitment policies.

2. Example 2: Dedicated Safety Management System (SMS) Organization

SoCalGas created a dedicated SMS organization reporting directly to the Chief Operating Officer and Chief Safety Officer, depicted below in Figure 1.

Figure 1 – SoCalGas SMS Organization



The SoCalGas SMS is a framework designed to enhance SoCalGas’s longstanding commitment to safety, which focuses on three primary areas: employee and contractor safety, customer and public safety, and the safety of the gas delivery system. This commitment to safety is embedded in what we do and is the foundation for who we are – from initial employee training, to the installation, operation, and maintenance of our utility infrastructure, and to providing safe and reliable service to our customers.

The purpose of the SMS organization is to develop and implement a comprehensive SMS that goes beyond pipeline safety and is based on our seven Safety Values, mentioned previously. The values are integrated into the PLAN-DO-CHECK-ACT model. Our SMS is about being more deliberate and intentional about what we have been doing and connecting the dots – it is the framework that connects everything we do. The Company’s goal is to continuously

strengthen our safety culture by following the values of the SMS. The organization is comprised of a team of directors, managers, supervisors, and subject matter experts who have the centralized authority, accountability, and responsibility for the full execution of the Company's SMS, including designing, developing, implementing, and continuously improving the Company's SMS across three primary categories: employee and contractor safety, public and customer safety, and system safety. The responsibilities include:

- Providing strategic guidance and establishing appropriate policies, standards, procedures and key performance indicators, as well as technology, data analytics tools and platforms, and reporting capabilities, for various elements of the Company's SMS to promote its consistent implementation and effectiveness across organizations;
- Leading incident investigations and sharing lessons learned with stakeholders to demonstrate risk reduction and improvement;
- Leading the annual management review and safety assurance functions; and
- Collaborating with employees to provide safety and compliance support, emergency preparedness and response support, capabilities to benchmark against best practices, and to conduct periodic SMS conformance reviews to measure progress.

The SMS organization includes the dedicated teams for strategy, technology and analytics, and continuous improvement. More particularly, the organization includes the Safety department, which holds a director, managers, and subject matter experts. These individuals oversee the implementation of the Company's various safety policies, trainings, and programs,



including: The Environmental & Safety Compliance Management Program (ESCMP), the behavior based safety programs, industrial hygiene programs, “Stop the Job,” the close call/near-miss reporting program, incident investigations, safety culture assessments, and contractor safety programs.

3. **Example 3: The Distribution Risk Evaluation and Monitoring System (DREAMS) Program**

SoCalGas’s DREAMS program is a pipeline replacement program that utilizes a relative risk model, which includes leak rates, condition of the pipe, soil and other factors to prioritize medium pressure segments for replacement. The DREAMS program is an additional control developed and managed as part of SoCalGas’s Distribution Integrity Management Programs (DIMP). Within DIMP, the DREAMS tool is used to prioritize risk mitigation on early vintage plastic and steel pipeline segments. The risk algorithm includes pipe attributes, operational conditions, and impact on population. The results of the analysis determine appropriate action to address risk for the segment and prioritize replacement investments based on a leakage root-cause analysis.

In 2019, SoCalGas replaced approximately 50 miles of mains and associated services for replacement above and beyond routine replacements in accordance with DIMP regulations for the replacement of vintage plastic. Additionally, in 2019, SoCalGas replaced approximately 20 miles of mains and associated services and targeted replacement of 300 – 500 services for replacement above and beyond routine replacements in accordance with DIMP regulations for the replacement of vintage steel. As SoCalGas’s infrastructure continues to age and more leak data is accumulated through annual inspections, SoCalGas anticipates continuing to increase the level of replacement over the next six to eight years while monitoring performance to continually



review the benefits and risk reduction accomplished through the replacement program using indicators such as leak repair and incident rates related to early vintage plastic as part of DIMP regulations.

Although the initial outlook is for a continued increase in scope for DREAMS, program metrics will be monitored on a continual basis to determine increase or decrease levels in scope. In addition, when expanding the program, consideration will be given to resources and contractor availability so that contractors can adequately meet the increase scope while maintaining safety at the forefront with qualified and experienced workers. The increased replacement rate is associated with the number of incidents related to Aldyl-A in recent years. Since DIMP's inception in 2010, SoCalGas has continued to prioritize and adjust scope of the program as the inputs to the risk algorithms change annually. DREAMS assessment proactively identifies the risk factors for remediation before operation and safety issues arise.

III. Description of Bias Controls – Overview (D.19-04-020, Ordering Paragraph 6C.)

A. Executive Incentive Compensation

SoCalGas's strong safety culture is demonstrated through use of compensation metrics and key performance indicators to drive improved safety performance. As the Commission stated in D.16-06-054, "[o]ne of the leading indicators of a safety culture is whether the governance of a company utilizes any compensation, benefits or incentive to promote safety and hold employees accountable for the company's safety record."¹⁹ Benefit programs that promote employee health and welfare also contribute to SoCalGas's safety performance and culture.

¹⁹ D.16-06-054 at 153.



In her Test Year (TY) 2019 GRC testimony, Compensation and Benefits witness Debbie Robinson explained how SoCalGas’s compensation and benefits programs are designed to focus employees on safety, and that SoCalGas has increased emphasis on employee and operational safety measures in their variable pay plans, commonly referred to as the Incentive Compensation Plans (ICP), thus bolstering their already strong safety culture and safety performance.²⁰ Ms. Robinson testified that SoCalGas has increased the weighting of the employee and operational safety measures in their variable pay plans since the TY 2016 GRC.²¹ Providing even stronger alignment between SoCalGas’s safety programs and the ICP helps to strengthen the Company’s safety culture and signal to employees that safety is the number-one priority.

The S-MAP Phase Two Decision directs the IOUs to identify all metrics linked to or used in any way for the purpose of determining executive compensation levels and/or incentives.²² In the narrative for each Safety Performance Metric reported herein, SoCalGas indicates whether that specific metric is linked for the purpose of determining executive compensation levels and/or incentives (*see* Section V, below). For this 2019 Safety Performance Metrics Report, SoCalGas references its 2019 Executive Incentive Compensation Plan (ICP) and 2019 non-executive ICP and indicates whether each metric was tied to these ICPs in 2019. Since this is an annual submission, SoCalGas intends to reference the reporting year’s ICP (*i.e.*, next year’s submission will reference the 2020 ICPs) as these plans are reviewed, updated and may change annually.

²⁰ A.17-10-007/-008 (cons.), Ex. 208 (SCG/SDG&E Robinson Direct) at DSR-10.

²¹ *Id.* at DSR-11.

²² D.19-04-020 at 27.



SoCalGas uses a comprehensive, market-based approach to executive compensation. The compensation and benefits for SoCalGas executives are designed to attract, motivate and retain high-performing executives. SoCalGas benchmarks its total compensation to market to confirm its competitiveness. SoCalGas’s executive compensation structure is intended to focus executives on SoCalGas’s key priorities, the most important of which is safety. Safety is a core value of SoCalGas, and thus compensation metrics and key performance indicators are used to drive improved safety performance, as discussed below.

The primary components of SoCalGas’s executive officer compensation are Base Pay, Variable Pay, and long-term incentives under Sempra Energy’s Long-term Incentive Plan. Variable Pay, (sometimes referred to as the Incentive Compensation Plan or ICP), is an essential component of a competitive total compensation package because it creates focus on and accountability for desired results, improves performance, and facilitates ideas and operational improvements. Variable Pay plans are a prevalent market practice. Under SoCalGas’s Variable Pay plan, a portion of employee compensation is placed at risk. The Variable Pay plan – at threshold, target, and maximum company performance – are expressed as a percentage of each executive officer’s base salary. SoCalGas has increased the weighting of safety measures in variable pay plans over the past years, such that safety-related measures comprise 55% of SoCalGas’s 2019 Executive Incentive Compensation Plan. Performance measures are reviewed and updated annually.

SoCalGas’s executive incentive compensation structure complies with California Public Utilities Code § 8389(e)(4), which requires that the structure “promote safety as a priority and to ensure public safety and utility financial stability with performance metrics, including incentive



compensation based on meeting performance metrics that are measurable and enforceable, for all executive officers, as defined in Section 451.5.”²³ The SoCalGas compensation component that comprises “executive incentive compensation” is Variable Pay. Safety measures or goals are an important focus of the SoCalGas Variable Pay, as reflected in the safety performance goals falling under the “Safety Management Systems” category in SoCalGas’s 2019 Executive and non-executive Incentive Compensation Plans. These performance goals and measures, as further described in each applicable metric in Section V, below, are designed to incent employees and executives to meet specified safety targets.

SoCalGas’s Board of Directors determine safety performance measures and targets to be included in each year’s ICP and review and approve the results. The SoCalGas Board meets on a quarterly basis where meetings begin with a safety briefing and include a regular review of year-to-date safety performance as well as current safety and risk-related topics. The members of the Board have extensive safety and employee safety processes experience. As a part of their oversight roles, the Board may exercise discretion to reduce or eliminate any payout for employee and/or contractor safety measures in the event of a work-related fatality or serious injury.

Safety is the top priority for SoCalGas, and this is reflected in the weighting of the safety measures in the 2019 Executive and non-executive ICPs. In years in which performance goals (including safety goals) are not met, Variable Pay is reduced or withheld. There are no guaranteed monetary incentives in SoCalGas’s executive compensation structure.

²³ California Public Utilities Code Section 451.5(c) defines “executive officer” as “any person who performs policy making functions and is employed by the public utility subject to the approval of the board of directors, and includes the president, secretary, treasurer, and any vice president in charge of a principal business unit, division, or function of the public utility.”

B. Bias Controls

Regularly scheduled internal audits are performed by Sempra Energy Audit Services. Audit Services develops an audit plan each year after consultation with SoCalGas management to identify and assess risks to the business. Audit Services then implements its plan by independently reviewing and evaluating the business controls in place. Audit Services has full access to all levels of SoCalGas management, and to all organizational activities, records, property and personnel relevant to activities under review. Audit Services is authorized to select activities for audit, allocate resources, determine audit scope and apply techniques required to accomplish audit objectives. Audit Services is further authorized to obtain other specialized services from within or outside the organization.

The scope of work conducted by Audit Services is to ascertain that SoCalGas's processes and business controls, as designed and maintained by SoCalGas management, are adequate and functioning in a manner to help confirm compliance with policies, plans, procedures, laws, regulations and contracts; safeguarding of assets; effectiveness and efficiency of operations; and reliability and integrity of operating and financial information. Strong business controls increase the likelihood of achieving these important objectives. SoCalGas management is responsible for taking ownership of, and being accountable for, understanding, establishing, and maintaining effective business controls. Through its independent audit function, Audit Services identifies whether appropriate business controls are in place and evaluates whether they are designed and functioning properly. These collective efforts provide a basis for Audit Services to provide an independent evaluation to SoCalGas management and the Board of Directors as to the adequacy of the Company's overall system of business control. SoCalGas management will address any

identified deficiencies by Audit Services and develop management corrective actions to resolve the findings. Management corrective actions are assigned a completion date and must be addressed prior to Audit Services closing the audit.

The S-MAP Phase Two Decision directs the IOUs to “[d]escribe the bias controls that the utility has in place to ensure that reporting of the metric(s) has not been gamed or skewed to support a financial incentive goal.”²⁴ SoCalGas’s 2019 Executive ICP and 2019 non-executive ICP each include eight separate safety-related performance measures.²⁵ These safety-related performance measures comprise a mixture of leading and lagging measures and span all lines of business – employee, customer, public and system safety - in order to prevent bias. Bias controls for specific metrics included in this Safety Performance Metrics Report possessing an ICP component are discussed in each metric section below. However, SoCalGas’s inclusion of eight separate safety-related performance metrics within the ICP, generally serves as its own control because the company has to perform on all measures to achieve target performance goals; rather than a single measure.

Sempra Energy’s Audit Services department audits SoCalGas’s annual ICP results and calculations prior to SoCalGas Board approval. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked.

²⁴ D.19-04-020 at Ordering Paragraph 6.C.

²⁵ For the period of January 1, 2019 to December 31, 2019, SoCalGas had in place a “2019 Executive Incentive Compensation Plan” and a “2019 Incentive Compensation Plan.” The S-MAP Phase Two Decision defines “executive” as “director or above.” Since SoCalGas directors are not covered by SoCalGas’ 2019 Executive Incentive Compensation Plan, SoCalGas refers to both the 2019 Executive Incentive Compensation Plan and the 2019 Incentive Compensation Plan” (*i.e.*, the “2019 non-executive Incentive Compensation Plan”) herein.



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IV. Interim Risk Mitigation Accountability Report (RMAR) Requirements (D.19-04-020, Ordering Paragraphs 6E – 6F.)

A. How Safety Metrics Reflect Progress Against SoCalGas’s RAMP and GRC Safety Goals

SoCalGas’s TY 2019 GRC testimony outlined the Company’s goals for future risk management and safety initiatives and presented a vision related to integrating risk, asset, and investment management to be accomplished over future GRC cycles.²⁶ SoCalGas is progressing on that trajectory, further integrating risk, asset, and investment management into the Company’s culture. In its Test Year 2019 GRC testimony, SoCalGas stated that it would continue to expand the use of probabilistic models, data and quantification and explore areas where further quantification will be helpful in addressing other enterprise-level risks. SoCalGas’s risk management practices continue to mature as evidenced in SoCalGas’s November 27, 2019 RAMP submission.²⁷

SoCalGas continues to integrate risk, asset, and investment management into the Company’s culture. There are considerable efforts underway to align risks with asset management practices and to provide additional granularity of risks and asset health. One effort demonstrating additional granularity is the development of operating unit risk registries. As explained by SoCalGas witness Diana Day, “[t]he operating unit risk registries are intended to provide each operating unit with a tool to capture its specific risks and enable a more structured management of lower consequence risks that occur more frequently and are dealt with at the operating unit levels. As the operating unit risk registries evolve and mature, they will inform the assessment of risks at the enterprise level and provide improved risk quantification and

²⁶ A.17-10-007/-008 (cons.), Ex. 03 (SCG/SDGE Day Direct) at DD-25 – DD-26, Figure DD-4.

²⁷ I.19-11-010/-011 (cons.), 2019 RAMP, Chapter RAMP-B, Enterprise Risk Management Framework.



granularity across the Company.”²⁸ SoCalGas continues to work on developing operating unit risk registries in different operating areas of the Company and refining the process.

SoCalGas is leveraging the operating unit risk registries to inform internal asset management strategies to continue the integration of risk and asset management. As described above, SoCalGas has a dedicated Safety Management System (SMS) organization, which, according to the Commission’s Office of Safety Advocate (OSA), is “a key tool for achieving safety goals, managing risks and opportunities, and meeting requirements and expectations.”²⁹ A prudent SMS will further integrate risk, safety, and asset management under one framework, as discussed in SoCalGas’s 2019 RAMP filing.³⁰ SoCalGas continually seeks to implement metrics into its risk-based decision-making processes. Risk metrics span risk, asset, and investment management, in that they help evaluate and monitor asset health and potentially inform and demonstrate progress related to investments.

B. High-level Summary of SoCalGas’s Total Estimated Risk Mitigation Spending Level as Approved in TY 2019 GRC

D.14-12-025 required the IOU’s Risk Mitigation Accountability Report (RMAR) and Risk Spending Accountability Report (RSAR) to together explain how IOU risk mitigation activities and spending are meeting the goals for managing and minimizing the risks identified in the utility’s RAMP and GRC submissions. D.19-04-020 found that it was “premature to approve

²⁸ A.17-10-007/-008 (cons.), Ex. 03 (SCG/SDGE Day Direct) at DD-23.

²⁹ A.17-10-007/-008 (cons.), Ex. 442 (OSA Contreras Prepared Testimony) at 2-20. OSA was created in response to Senate Bill 62 (Chapter 806, Statutes of 2016) to advocate, on behalf of the interest of public utility customers, for the continuous and cost-effective improvement of the safety management and safety performance of public utilities. Pursuant to the same statute, OSA sunset on January 1, 2020.

³⁰ I.19-11-010/-011 (cons.), 2019 RAMP, Chapter RAMP-F, Safety Culture.



specific RMAR requirements or to require separate, more general RMARs at this time”³¹ but instead adopted interim RMAR requirements to be included in this Safety Performance Metrics Report. “In the interim, we direct the IOUs to include in their annual Safety Performance Metrics Reports some of the information originally envisioned as belonging in the RMARs.”³²

SoCalGas filed its Test Year (TY) 2019 GRC Application on October 6, 2017.³³ Among other things, SoCalGas’s GRC Application included requests related to mitigating the Company’s key safety risks and integrated the results from its RAMP filed on November 30, 2016 (2016 RAMP).³⁴ SoCalGas’s 2016 RAMP filing significantly informed the latest TY 2019 General Rate Case results. The below tables provide a high-level summary of SoCalGas’s total estimated risk mitigation spending as presented in the 2016 RAMP filing and approved in the TY 2019 GRC.

The TY 2019 GRC Decision did not explicitly authorize RAMP activities differently from non-RAMP activities. Instead, the TY 2019 GRC Decision assessed and authorized funding for SoCalGas in many instances based on “standard GRC methods, such as the quality of the forecast, counterarguments by intervenors, and whether a given showing met the burden of proof.”³⁵ SoCalGas’s 2019 RAMP submission presented cost forecasts at the RAMP activity level and SoCalGas plans to further incorporate units of work into future GRC submissions, but for purposes of TY GRC 2019 authorized amounts (based on SoCalGas’s 2016 RAMP

³¹ D.19-04-020 at 32.

³² *Id.*

³³ A.17-10-008, Application of Southern California Gas Company (U904G) for Authority, Among Other Things, to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2019 (October 6, 2017).

³⁴ I.16-10-015, Risk Assessment and Mitigation Phase Report of San Diego Gas & Electric Company and Southern California Gas Company (November 30, 2016).

³⁵ D.19-09-051 at 22.



submission), SoCalGas had to impute authorized amounts for some RAMP mitigation activities. Similarly, SoCalGas does not necessarily track costs by RAMP mitigation activity or risk. Rather, SoCalGas records costs to O&M cost centers and to various capital budget codes, aligned with their GRC presentations. Since SoCalGas’s 2016 RAMP and TY 2019 GRC applications were filed, a more quantitative risk methodology and framework for RAMP and GRC filings was approved by the Commission in D.18-12-014. Based on the foregoing, these 2019 figures reflect a transitional time period with presenting the above-noted Commission directives. SoCalGas will continue to work with Commission staff and the S-MAP technical working group (as needed) regarding additional details for future reports.

The 2019 GRC Decision was approved by the Commission on September 26, 2019, nearly ten months into the test year.³⁶ The 2019 GRC Decision states “[f]or SoCalGas, the adopted revenue requirement and PTY increases will provide the necessary funds to allow it to operate its natural gas transmission, gas distribution, and gas storage systems safely and reliably and to fulfill customer service functions at reasonable rates.”³⁷ Further, while SoCalGas endeavored to “isolate the RAMP activity, to allow the reader to see the dollar request in GRC workpapers,”³⁸ the 2019 GRC Decision stated that the “RAMP portion in Applicants’ requests is not presented as separate and distinct from the non-RAMP portions” and “in many instances our decision is not based on risk mitigation but rather on standard GRC methods.”³⁹ Due to this approach, the 2019 GRC Decision does not necessarily authorize RAMP activities by line item details.

³⁶ D.19-09-051.

³⁷ *Id.* at 4.

³⁸ Ex. SCG-02-R/SDG&E-02-R, Chapter 3 (York) at JKY-6.

³⁹ D.19-09-051 at 22.



D.19-04-020 directs the IOUs to include an explanation of how the reported safety metric data reflects progress against the safety goals in the utility’s RAMP and approved GRC application and a high-level summary of their total estimated risk mitigation spending level as approved in their most recent GRC. SoCalGas includes this data in the tables below. Please refer to SoCalGas’s 2019 Risk Spending Accountability Report for additional detail on spending of activities presented in SoCalGas’s 2016 RAMP Report and TY 2019 GRC proceeding. Please refer to SoCalGas’s 2019 Risk Spending Accountability Report for additional detail on spending of activities presented in SoCalGas’s 2016 RAMP Report and TY 2019 GRC proceeding.

Table 2

SoCalGas Interim RMAR Summary: O&M⁴⁰

SoCalGas O&M Details (\$000)					
RAMP Chapter	RAMP Risk Description	2019 Actuals	2019 Imputed Authorized	\$ Variance	% Variance
SCG-01	Catastrophic Damage Involving Third Party Dig-Ins	14,128 14,101	23,163	(9,035) (9,062)	-39%
SCG-02	Employee, Contractor, Customer, and Public Safety	81,444 81,471	98,633 98,689	(17,189) (17,218)	-17%
SCG-03	Cyber Security	505	763	(258)	-34%
SCG-04	Catastrophic Damage Involving High-Pressure Gas Pipeline Failure	112,686 112,395	125,357 125,367	(12,671) (12,972)	-10%
SCG-05	Workplace Violence	3,269	2,495 2,498	774 771	31%
SCG-06	Physical Security of Critical Gas Infrastructure	216	2,265 2,276	(2,049) (2,060)	-90% -91%
SCG-07	Workforce Planning	675	6,332 6,433	(5,657) (5,758)	-89% -90%

⁴⁰ This table has been revised consistent with the June 26, 2020 filing of the Revised 2019 Risk Spending Accountability Report at page 22. In addition, the 2019 Actuals in RAMP Chapter SCG-04 has been revised from \$112,686 to \$112,395 consistent with the response to Energy Division data request 004 submitted on July 28, 2020.

SoCalGas O&M Details (\$000)					
RAMP Chapter	RAMP Risk Description	2019 Actuals	2019 Imputed Authorized	\$ Variance	% Variance
SCG-08	Records Management	4,812	13,630 <u>13,373</u>	(8,818) <u>(8,561)</u>	-65% <u>-64%</u>
SCG-09	Climate Change Adaptation	388	1,632	(1,244)	-76%
SCG-10	Catastrophic Damage Involving Medium-Pressure Gas Pipeline Failure	72,507 <u>77,467</u>	76,668 <u>81,957</u>	(4,161) <u>(4,490)</u>	-5%
SCG-11	Catastrophic Event Related to Storage Well Integrity	14,990	24,766	(9,776)	-39%
	Total SoCalGas RAMP	305,621 <u>310,289</u>	375,704 <u>380,917</u>	(70,083) <u>(70,628)</u>	-19%

SoCalGas’s 2016 RAMP Report forecasted RAMP activities for years 2017 through 2019. SoCalGas’s TY 2019 GRC presented capital forecasts for the GRC cycle (*i.e.*, 2019-2021).⁴¹ SoCalGas manages its capital projects over the GRC cycle, rather than on a year-by-year basis and intends to catch up on the authorized projects as this is the first year of the TY 2019 GRC cycle. Further, as the Rate Case Plan Decision states: “The Commission has always acknowledged that utilities may need to reprioritize spending between GRCs. Now, given the evolving reality [of moving to a four-year GRC cycle], that necessity may even be growing.”⁴² Reprioritizing spending allows utilities to “[r]espond to immediate or short-term crises outside of the RAMP and GRC process,”⁴³ in accordance with Commission directive. As the Commission

⁴¹ In January 2020, D.20-01-002 at 52, extended the GRC cycle for each large California IOU from three to four years. To facilitate the transition from a three to four-year GRC cycle, the Rate Case Plan Decision “direct[s]... SDG&E to request two additional attrition years (2022 and 2023) in their petition for modification of D.19-09-051.”

⁴² D.20-01-002 at 38.

⁴³ D.18-04-016 at 6 n.7 (citing D.16-08-018 at 152).



has stated: “RAMP and GRCs...are not designed to addresses immediate needs; the utilities have responsibility for addressing safety regardless of the GRC cycle.”⁴⁴

Given that SoCalGas’s TY 2019 GRC was a litigated proceeding, there was a high degree of uncertainty with the outcome. For the first nine months of 2019 (*i.e.*, before the Sept. 26, 2019 decision was approved), SoCalGas was managing its business under their previously authorized levels from the TY 2016 GRC, while at the same time addressing safety-related issues that emerged. The regulatory lag in receiving the GRC decision resulted in variances since the authorized levels from the TY 2019 GRC were unknown.

Now that the outcome of the TY 2019 GRC Decision is known, SoCalGas is executing on new and/or incremental programs presented during the TY 2019 GRC proceeding. While some programs may have been slow to start in 2019 and others planned during 2020, implementation of these programs may be further impacted by the recent Covid-19 pandemic. While SoCalGas intends to manage such programs over the GRC cycle, the lasting effects of the Covid-19 pandemic are not yet known.

⁴⁴ *Id.*

Table 3

SoCalGas Interim RMAR Summary: Capital

SoCalGas Capital Details (\$000)					
RAMP Chapter	RAMP Risk Description	2019 Actuals	2019 Imputed Authorized	\$ Variance	% Variance
SCG-01	Catastrophic Damage Involving Third Party Dig-Ins	328	0	328	100%
SCG-02	Employee, Contractor, Customer, and Public Safety	6,863	2,597	4,265	164%
SCG-03	Cyber Security	18,219	25,688	(7,469)	-29%
SCG-04	Catastrophic Damage Involving High-Pressure Gas Pipeline Failure	178,136	304,381	(126,245)	-41%
SCG-05	Workplace Violence	1,669	679	990	146%
SCG-06	Physical Security of Critical Gas Infrastructure	361	9,052	(8,691)	-96%
SCG-08	Records Management	33,577	43,853	(10,276)	-23%
SCG-09	Climate Change Adaptation	506	2,716	(2,210)	-81%
SCG-10	Catastrophic Damage Involving Medium-Pressure Gas Pipeline Failure	123,360	107,522	15,838	15%
SCG-11	Catastrophic Event Related to Storage Well Integrity	94,806	126,277	(31,471)	-25%
	Total SoCalGas RAMP	457,824	622,763	(164,939)	-26%



SoCalGas’s 2019 RAMP Report, as filed on November 27, 2019,⁴⁵ forecasted activities and associated investments comparable to 2019 GRC authorized activities, however, there is a significant capital investment increase associated with the Public Safety Enhancement Program (PSEP) to mitigate High-Pressure pipeline risk and the Distribution Integrity Management Project (DIMP) and the Distribution Risk Evaluation and Monitoring System (DREAMS) programs to mitigate the Medium Pressure Pipeline risk at SoCalGas.⁴⁶ As identified in SoCalGas’s 2019 RAMP Report, SoCalGas plans to execute on capital programs of \$1.9B to continue its investment in the safe and reliable operation of its system.

Please refer to SoCalGas’s 2019 Risk Spending Accountability Report for additional detail on spending of activities presented in SoCalGas’s 2016 RAMP Report and TY 2019 GRC proceeding, including variance explanations for those activities/programs that meet the CPUC’s variance criteria threshold.

V. Approved Safety Performance Metrics (D.19-04-020, Ordering Paragraph 2)

This section provides a narrative overview of each of the Approved Safety Performance Metrics (*i.e.*, Version 1.0, Attachment 1 to D.19-04-020) as applicable to each IOU. The following is intended to serve as a summary and provide a narrative context for the accompanying data. Ten years of monthly data, where available, for each metric is separately provided in Excel format in Attachment B.

⁴⁵ I.19-11-010/-011 (cons.)

⁴⁶ A Medium Pressure Pipeline Incident was identified as SoCalGas’ top safety-related risk in its 2019 RAMP filing, I.19-11-010/-011 (cons.), RAMP Chapter SCG-1.

A. Metric No. 5: Gas Dig-In

Metric Name and Description per D.19-04-020:⁴⁷ “Gas Dig-in: The number of third party gas dig-ins per 1,000 Underground Service Alert (USA) tags/tickets for gas. Excludes fiber and electric tickets. A gas dig-in refers to any damage (impact or exposure) that results in a repair or replacement of underground gas facility as a result of an excavation. A third-party dig-in is damage caused by someone other than the utility or a utility contractor.”

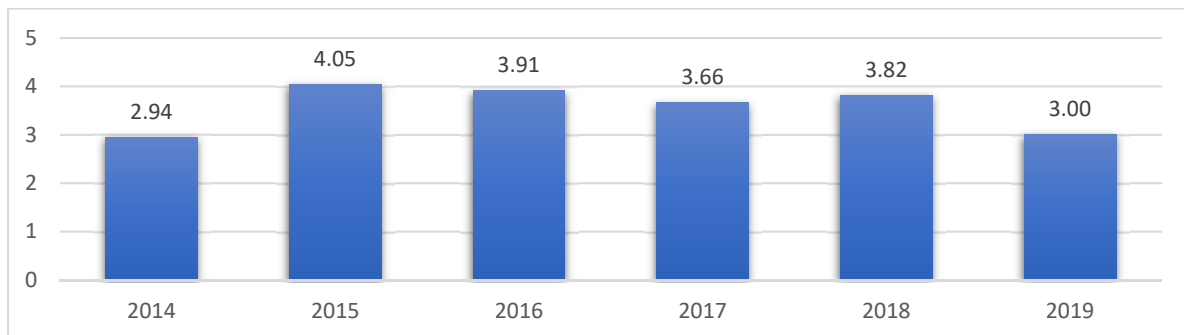
Risks: (1) Transmission Pipeline Failure - Rupture with Ignition, (2) Distribution Pipeline Rupture with Ignition (non-Cross Bore), (3) Catastrophic Damage involving Gas Infrastructure (Dig-Ins)

Category: Gas

Units: The number of 3rd party gas dig-ins per 1,000 USA tags/tickets

Summary:

Summary Chart of Gas Dig-In Metric Data (Annual)



Narrative Context:

SoCalGas operates and manages a natural gas system of over 100,000 miles of Distribution pipe and approximately 3,500 miles of Transmission pipe within its 22,000 square mile service territory. This large piping network and large service territory expose the Company to potential dig-in related issues. Excavation damage, or dig-ins, to underground gas infrastructure have been a risk to SoCalGas for as long as pipe has been buried underground.

⁴⁷ The metric name and description, risks, category, and units for each metric comes directly from the language in D.19-04-020, Attachment 1.



This risk is not unique to the Company. Third-party dig-ins are a common national problem for all industries and utilities with buried infrastructure.

Under California State Law,⁴⁸ a third-party planning excavation work is required to contact the Regional Notification Center for their area, also known as 811 or Underground Service Alert (USA), at least two (2) full working days prior to the start of their construction excavation activities, not including the day of the notification. Eight-One-One (811) is the national phone number designated by the Federal Communications Commission (FCC), that connects homeowners or contractors who plan to dig with professionals through a local call center. California has two Regional Notification Centers, DigAlert and USA North, that split California at the Los Angeles/Kern County and Santa Barbara/San Luis Obispo county lines; USA North serves all counties north of the county lines and DigAlert serves all counties south of the county lines.

Once a third-party makes the contact, the Regional Notification Center will issue a USA Ticket notifying local utilities and other operators of the location and areas to be inspected for potential conflicts of underground infrastructure with the pending planned excavation work. Operators are then required to provide a positive response to indicate that there are no facilities in conflict or to mark their underground facilities via aboveground identifiers (*e.g.*, paint, chalk, flags, whiskers) to designate where underground utilities are positioned, thus enabling third parties, like contractors and homeowners, to know where these substructures are located. The law also requires third-party excavators to use careful, manual (hand digging) methods to expose substructures prior to using mechanical excavation tools.

⁴⁸ Cal. Gov. Code § 4216.2(b).



Since SoCalGas began tracking this metric, it has seen an increased volume in USA tickets. Third-party gas dig-ins is an identified RAMP risk for SoCalGas. SoCalGas's November 2019 RAMP submission included chapters for both medium and high-pressure pipeline risk of third-party dig-ins.⁴⁹ SoCalGas managed over 961,000 811 USA tickets and reported over 3,000 dig-in excavation damage incidents in 2019. Analysis of reported damage incidents shows that approximately 60% of dig-ins were due to failure to notify 811 USA for a locate and mark ticket and another approximately 30% were due to inadequate excavation practices even after the excavator called 811 USA and underground facilities were marked.⁵⁰

In addition to direct involvement with excavators and 811 USA, SoCalGas engages in promoting safe digging practices through its Public Awareness Program⁵¹ and corporate safety messaging via stakeholder outreach. The message is presented by way of multi-formatted educational materials. Further, the California Dig Board established an investigation protocol for investigations of incidents and will start issuing violations and fines in July 2020.

Historical Data:

In 2017, regulations requiring external reporting of dig-in data were enacted.⁵² However, SoCalGas began tracking this metric in 2014. The accompanying Excel file provides monthly data for years 2014 through 2019 for the number of third-party gas dig-ins per 1,000 USA tickets. As stated in the metric description, this data excludes fiber and electric tickets. A gas dig-

⁴⁹ I.19-11-010/-011 (cons.), see 2019 RAMP, Chapter SCG-6, Third Party Dig-in Medium Pressure and Chapter SCG-7, Third Party Dig-in High Pressure.

⁵⁰ Common Ground Alliance, *CGA Released 2018 Damage Information Reporting Tool (DIRT) Report*, available at <https://commongroundalliance.com/DIRT>.

⁵¹ API RP 1162 (December 2003).

⁵² 49 Code of Federal Regulations (C.F.R.) § 192, *et al.*; *id.* at § 196; Cal. Gov. Code § 4216, General Order (GO) 112-F; API RP 1162.

in refers to any damage (impact or exposure) that results in a repair or replacement of underground gas facility as a result of an excavation. A third-party dig-in is damage caused by someone other than the utility or a utility contractor. While SoCalGas does not have ten years of historical data for this first annual report submission, SoCalGas will continue tracking this metric and will build upon the historical data in each future submission until a full ten years of monthly, historical data is provided.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive Incentive Compensation Plan (ICP) and non-executive ICP include a gas safety metric for “Damage Prevention - Damages per USA Ticket Rate.” For ICP purposes, this metric consists of the number of excavation incidents that cause a gas leak to SoCalGas’s below ground facilities and the total number of received USA Ticket transmittals. This is a standard industry metric for measuring operator performance for damage prevention. To calculate this metric, the number of damages is normalized by the number of USA tickets and multiplied by 1,000 to obtain the number of damages per 1,000 tickets. Normalizing by ticket count factors in the year-to-year variation in construction and excavation activities that have a direct influence on damages. This allows for measurable year-to-year performance, allowing this metric to be used as an indicator for the success of risk reduction activities.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, SoCalGas’s 2019 Executive ICP and non-executive ICP include a gas safety metric for “Damage Prevention - Damages per USA Ticket Rate.” This metric is weighted at 6% of the 55% safety weighting for SoCalGas’s 2019 Executive ICP and 4% of the 35% safety weighting for SoCalGas’s 2019 non-executive ICP.

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]



A Sempra Energy utility

- Yes. SoCalGas’s “Damage Prevention - Damages per USA Ticket Rate” metric is linked to all SoCalGas director level or higher positions covered by either the 2019 Executive ICP or 2019 non-executive ICP.

Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.

B. Metric No. 6: Gas In-Line Inspection

Metric Name and Description per D.19-04-020: “Gas In-Line Inspection: Total miles of transmission pipe inspected by inline inspection.”

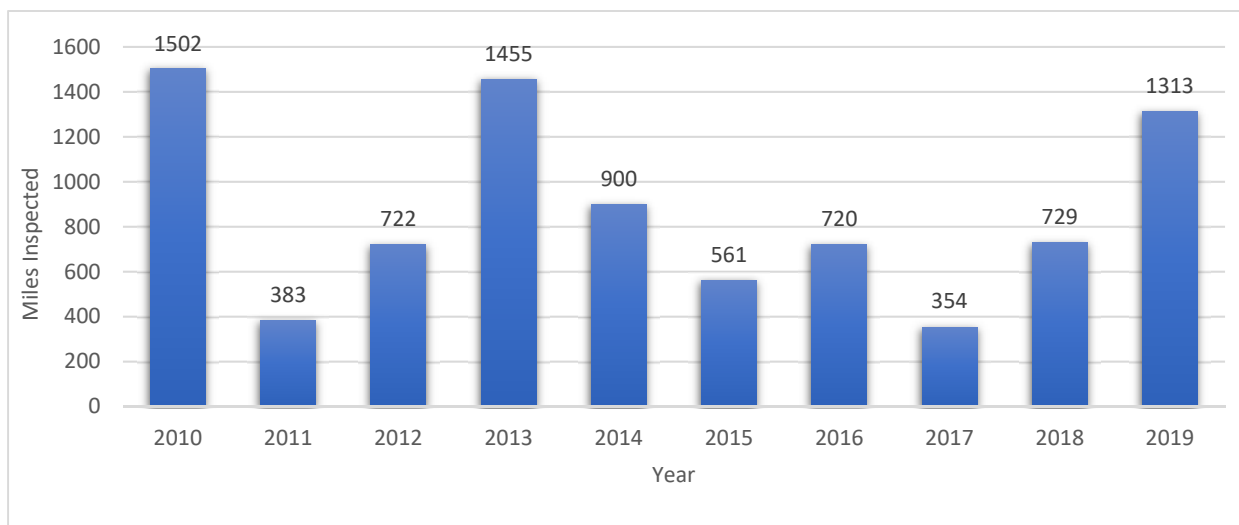
Risks: Catastrophic Damage Involving High-Pressure Pipeline Failure

Category: Gas

Units: (1) Miles Inspected, (2) Total number of inspections scheduled/total number of targeted inspections

Summary:

Summary Chart of Gas In-Line Inspection Metric Data (Annual)





Narrative Context:

SoCalGas's Transmission Integrity Management Program (TIMP)⁵³ identifies threats to transmission pipelines in High Consequence Areas (HCAs), determines the risk posed by these threats, schedules prescribed assessments to evaluate these threats, collects information about the condition of the pipelines, and takes actions to minimize applicable threat and integrity concerns to reduce the risk of a pipeline failure. At a minimum of every seven years, transmission pipelines located within HCAs are assessed using In-Line-Inspection (ILI), Direct Assessment or Pressure Test and remediated as needed.

Detected anomalies are classified and addressed based on severity with the most severe requiring immediate actions. Remediations reduce risk by addressing areas where corrosion, weld or joint failure, or other forces are occurring or has occurred. Post-assessment pipeline repairs, when appropriate, and replacements are intended to increase public and employee safety by reducing or eliminating conditions that might lead to an incident. ILI is the primary assessment method used to identify potential pipeline integrity threats. When a threat is identified, SoCalGas takes immediate action to reduce risk until a repair is completed. These actions involve removing a pipeline from service or reducing operating pressure. In cases where the assessment involves a pressure test, immediate remediation is also required as the pressure test cannot be completed until the pipeline is repaired.

TIMP reduces the risk of failure to the pipeline transmission system and on a continual basis evaluates the effectiveness of the program and scheduled assessments. TIMP Risk Assessment evaluates the Likelihood of Failure (LOF) using the nine threat categories (External

⁵³ TIMP is federally mandated per 49 C.F.R. § 192, Subpart O.



Corrosion, Internal Corrosion, Stress Corrosion Cracking, Manufacturing, Construction, Equipment, Third-Party Damage, Incorrect Operations, and Weather-Related and Outside Force) for transmission pipelines located within an HCA. Pipeline operational parameters and the area near the pipeline are considered to evaluate Consequence of Failure (COF). The LOF multiplied by the COF produces the pipelines Relative Risk Score. Further information is collected about the physical condition of transmission pipelines through integrity assessments. Action is taken to address applicable threats and integrity concerns to increase the safety and preclude pipeline failures.

The numbers and types of TIMP activities vary from year to year and are based on the timing of previous assessments done on the same locations. Transmission pipelines are required to be assessed at an interval not to exceed seven years. Therefore, intervals may vary year-to-year over the seven-year inspection cycle and data should be viewed across the entire cycle. Approximately 1,120 miles out of 3,500 miles of SoCalGas's transmission pipelines are located in HCA areas. SoCalGas is the second-largest transmission operator in the nation in terms of miles of transmission pipeline located in HCA areas.

Historical Data:

SoCalGas began tracking the total miles of transmission pipe inspected by inline inspection in 2010 and the accompanying Excel file provides annual data for years 2010 through 2019. The miles inspected by inline inspection is an annual metric that is currently reported in Part F of the PHMSA Gas Transmission and Gathering Annual Report F 7100.2-1. Therefore, monthly values have not historically been tracked or provided. The secondary unit of measure included within Attachment A of D.19-04-020 – total number of inspections scheduled/total



number of targeted inspections – is not included in the accompanying data file as it is not required to be included at this time per guidance from Safety Enforcement Division Staff in the S-MAP Technical Working Group.

SoCalGas began tracking the total miles of transmission pipe inspected by ILI in 2010 and provides annual data for years 2010 through 2019 in the accompanying Excel file. The miles inspected by ILI is an annual metric that is currently reported in Part F of the PHMSA Gas Transmission and Gathering Annual Report F 7100.2-1. Therefore, monthly values have not historically been tracked or provided. The numbers of assessment and mitigation activities planned under TIMP varies from year to year. For TIMP, this is primarily based on the timing and intervals of prior assessments. Transmission pipelines are required to be assessed at an interval not to exceed seven years. Therefore, intervals may vary year-to-year over the seven-year inspection cycle and data should be viewed across the entire TIMP cycle. Further, within TIMP, when an area requires remediation or immediate attention based on assessment results, prompt action is taken for the safety of public and personnel working on the pipeline, which may include pressure reduction or removing pipelines from service until a repair can be completed.

The secondary unit of measure included for this metric in D.19-04-020 – total number of inspections scheduled/total number of targeted inspections – is not included in the accompanying data file as it is not required to be included at this time per guidance from the Safety Enforcement Division Staff in the S-MAP Technical Working Group.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive ICP and non-executive ICP includes the following customer, public and system safety performance measure:

- Pipeline Safety Enhancement Program (PSEP) – Number of Pipeline Miles Closed out – Miles are counted when pipeline projects complete Bundle B approval. Bundle B approval is achieved when the pipeline feature data collection and submission process is complete and approved by the Pipeline Integrity department. Pipeline project miles include test, replace, abandonment and de-rate miles.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, SoCalGas’s 2019 Executive ICP and non-executive ICP include a gas safety metric for “PSEP – Numbers of Miles Closed out.” This metric is weighted at 6% of the 55% safety weighting for SoCalGas’s 2019 Executive ICP and 4% of the 35% safety weighting for SoCalGas’s 2019 non-executive ICP.

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. SoCalGas’s PSEP – Numbers of Miles Closed out performance measure is linked to all SoCalGas director or above positions covered by either the 2019 Executive ICP or 2019 ICP.

Bias Controls – If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.

C. Metric No. 8: Shut In The Gas Average Time – Mains

Metric Name and Description per D.19-04-020: “Shut In The Gas Average Time – Mains: The average time (in minutes) required for the utility to stop the flow of gas during incidents involving mains when responding to any unplanned/uncontrolled release of gas. The timing for the response starts when the utility first receives the report and ends when an utility’s qualified representative determines, per the utility’s emergency standards, that the reported leak is not hazardous or the utility’s representative completes actions to mitigate a hazardous leak and



render it as being non-hazardous (*i.e.*, by shutting-off gas supply, eliminating subsurface leak migration, repair, etc.) per the utility’s standards.”

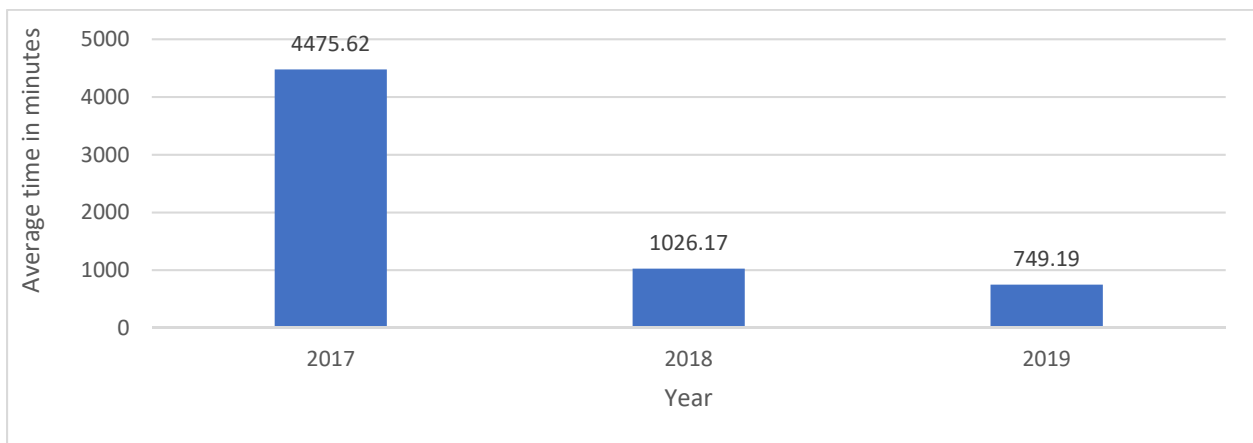
Risks: Distribution Pipeline Rupture with Ignition (non-Cross Bore)

Category: Gas

Units: Average (median) time in minutes required to stop the flow of gas

Summary:

Summary Chart of Shut-in the Gas Average Time – Mains Metric Data (Annual)



Narrative Context:

SoCalGas conducts pipeline monitoring and inspection activities to proactively target risk factors before operation and safety issues arise. These monitoring activities include pipeline patrols, leak surveys, bridge and span inspections, and unstable earth inspections. These inspections are critical since they are intended to observe assets over time to determine if abnormal conditions exist prior to becoming a concern. For example, a span that no longer is coated appropriately due to recent weather conditions can be identified for re-coating before corrosion begins that could lead to a leak. The leak survey monitoring identifies leaks that require repair.



SoCalGas's Distribution Risk Evaluation and Monitoring System (DREAMS) program is an additional control developed and managed as part of SoCalGas's Distribution Integrity Management Program (DIMP). Within DIMP, the DREAMS tool is used to prioritize risk mitigation on early vintage plastic and steel pipeline segments. The risk algorithm includes pipe attributes, operational conditions, and impact on the population. The results of the analysis determine appropriate action to address risk for the segment and prioritize replacement investments based on a leakage root-cause analysis.

For 2019, SoCalGas replaced approximately 50 miles of mains and associated services for replacement above and beyond routine replacements in accordance with DIMP regulations for the replacement of vintage plastic.

As SoCalGas's infrastructure continues to age and more leak data is accumulated through annual inspections, SoCalGas anticipates continuing to increase the level of replacement over the next 6-8 years. At the same time, SoCalGas will monitor performance to continually review the benefits and risk reduction accomplished through the replacement program using indicators such as leak repair and incident rates related to early vintage plastic as part of DIMP regulations.

Although the initial outlook is for a continued increase in scope for DREAMS, program metrics will be monitored on a continual basis to determine increase or decrease levels in scope.

Historical Data:

SoCalGas began tracking this metric in 2017. This data is also reported externally per CPUC General Order 112-F. However, this is the first-time information has been segregated to distinguish between Mains and Services as required for this Safety Performance Metrics Report. It should therefore be considered preliminary. SoCalGas is currently evaluating its data



collection processes to determine accuracy, completeness and validity of data. The accompanying Excel file provides monthly historical data for 2017 through 2019 for the average time (in minutes) required for the utility to stop the flow of gas during incidents involving mains when responding to any unplanned/uncontrolled release of gas. The timing for the response starts when SoCalGas first receives the notice of a potential gas leak and ends when a qualified representative determines, per SoCalGas’s emergency standards, that the reported leak is not hazardous or the SoCalGas representative completes actions to mitigate a hazardous leak and render it non-hazardous (*i.e.*, by shutting-off gas supply, eliminating subsurface leak migration, repair, etc.) per SoCalGas’s standards. SoCalGas will continue to track this metric and include it in future annual reports until a full ten years of historical data is provided.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive ICP and non-executive ICP include the following customer, public and system safety performance measure:
 - A1 Order Response Time – This metric is to measure the effectiveness of response time for Customer Services A1 gas leak orders. The operational goal is for Customer Services Field Technicians to respond to A1 gas leak orders within thirty (30) minutes during regular business hours and within forty-five (45) minutes outside of regular business hours (regular business hours are defined at 7am to 5pm Monday to Saturday, excluding holidays). This goal measures the percentage of time that Customer Services Field Technicians meet this criteria. A1 gas leak orders used for this measure excludes area order orders.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, SoCalGas’s 2019 Executive ICP and non-executive ICP include a gas safety metric for “A1 Order Response Time.” This metric is weighted at

6% of the 55% safety weighting for SoCalGas’s 2019 Executive ICP and 4% of the 35% safety weighting for SoCalGas’s 2019 non-executive ICP.

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. SoCalGas’s A1 Order Response Time performance measure is linked to all SoCalGas director or above positions covered by either the 2019 Executive ICP or 2019 non-executive ICP.

Bias Controls – If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.

D. Metric No. 9: Shut In The Gas Average Time - Services

Metric Name and Description per D.19-04-020: “Shut In The Gas Average Time – Services: The average time (minutes) that a Gas Service Representative (GSR) or qualified first responder (Gas Crew, Leak Surveyor, etc.) takes to respond and stop gas flow during incidents involving services. The timing for the response starts when the utility first receives the report and ends when the utility’s qualified representative determines, per the utility’s emergency standards, that the reported leak is not hazardous or the utility’s representative completes actions to mitigate a hazardous leak and render it as being non-hazardous (*i.e.*, by shutting-off gas supply, eliminating subsurface leak migration, repair, etc.) per the utility’s standards.”

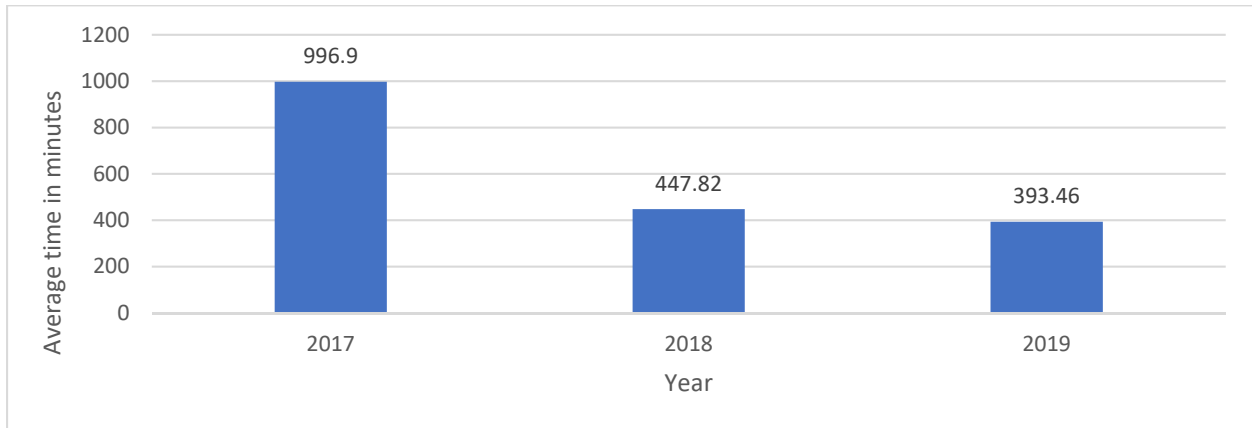
Risks: Distribution Pipeline Rupture with Ignition (non-Cross Bore)

Category: Gas

Units: Average (median) time in minutes required to stop the flow of gas

Summary:

Summary Chart of Accompanying Shut-in the Gas Average Time – Services Metric Data (Annual)



Narrative Context:

As stated above for the previous metric, Shut In The Gas Average Time – Mains, SoCalGas has deployed preventative leak protection programs and conducts pipeline monitoring and inspection activities to proactively target risk factors before operation and safety issues arise. In 2019, SoCalGas replaced approximately 50 miles of mains and associated services above and beyond routine replacements in accordance with DIMP regulations for the replacement of vintage plastic. In 2019, SoCalGas replaced over 20 miles of mains and associated services and targeted replacement of 300 – 500 services for replacement above and beyond routine replacements in accordance with DIMP regulations for the replacement of vintage steel. As SoCalGas’s infrastructure continues to age and more leak data is accumulated through annual inspections, SoCalGas anticipates continuing to increase the level of replacement over the next 6-8 years while monitoring performance to continually review the benefits and risk reduction accomplished through the replacement program through indicators such as leak repair and incident rates related to early vintage plastic as part of DIMP regulations. Although the initial



outlook is for a continued increase in scope for DREAMS, program metrics will be monitored on a continual basis to determine the increase or decrease levels in scope.

Historical Data:

SoCalGas began tracking this metric in 2017. This data is also reported externally per CPUC General Order 112-F. However, this is the first-time information has been segregated to distinguish between Mains and Services as required for this Safety Performance Metrics Report. It should therefore be considered preliminary. SoCalGas is currently evaluating its data collection processes to determine accuracy, completeness and validity of data. The accompanying Excel file provides monthly historical data for 2017 through 2019 for the average time (minutes) that a Gas Service Representative (GSR) or qualified first responder (*e.g.*, Gas Crew, Leak Surveyor, etc.) takes to respond and stop gas flow during incidents involving services. The timing for the response starts when SoCalGas first receives notice of a potential gas leak and ends when a qualified representative determines, per SoCalGas's emergency standards, that the reported leak is not hazardous or SoCalGas's representative completes actions to mitigate a hazardous leak and render it as being non-hazardous (*i.e.*, by shutting-off gas supply, eliminating subsurface leak migration, repair, etc.) per SoCalGas's standards. SoCalGas will continue to track this metric and include it in future annual reports until a full ten years of historical data is provided.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas's 2019 Executive ICP and non-executive ICP include the following customer, public and system safety performance measure:
 - A1 Order Response Time – This metric measures the effectiveness of response time for Customer Services A1 gas leak orders. The operational goal is for Customer Services Field Technicians to respond to A1 gas leak orders within 30

minutes during regular business hours and within 45 minutes outside of regular business hours (regular business hours are defined at 7am to 5pm Monday to Saturday, excluding holidays). This goal measures the percentage of time that Customer Services Field Technicians meet this criteria. A1 gas leak orders used for this measure excludes area/mass odor calls/orders.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, SoCalGas’s 2019 Executive ICP and non-executive ICP include a gas safety metric for “A1 Order Response Time.” This metric is weighted at 6% of the 55% safety weighting for SoCalGas’s 2019 Executive ICP and 4% of the 35% safety weighting for SoCalGas’s 2019 non-executive ICP.

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. SoCalGas’s A1 Order Response Time performance measure is linked to all SoCalGas director or above positions covered by either the 2019 Executive ICP or 2019 non-executive ICP.

Bias Controls – If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.

E. Metric No. 10: Cross Bore Intrusions

Metric Name and Description per D.19-04-020: “Cross Bore Intrusions: Cross bore intrusions found per 1,000 inspections.”

Risks: Catastrophic Damage Involving Medium Pressure Pipeline Failure

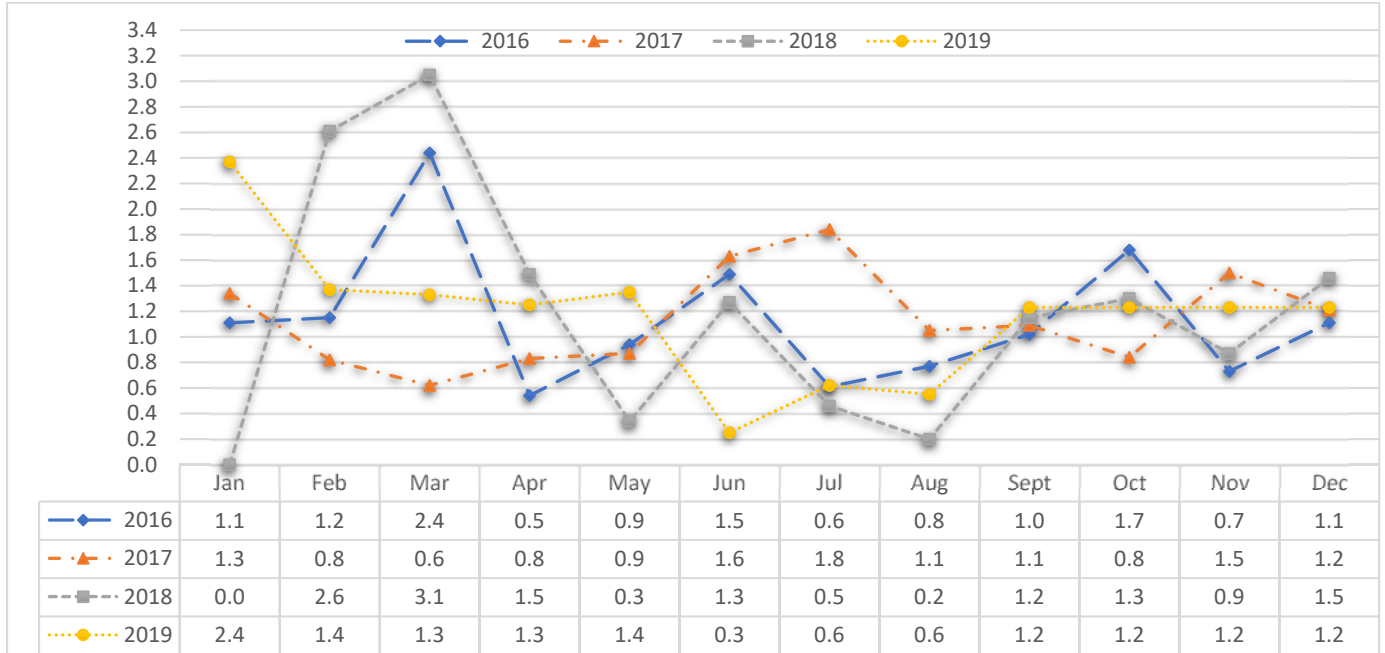
Category: Gas

Units: Number of cross bore intrusions per 1,000 inspections



Summary:

Summary Chart of Cross Bore Intrusions Metric Data



Narrative Context:

SoCalGas’s Sewer Lateral Inspection Project (SLIP) is a risk mitigation activity developed and managed as part of SoCalGas; Distribution Integrity Management Program (DIMP). SLIP addresses the concerns PHMSA expressed under the DIMP regulations that require operators to address identified threats of low frequency, but potentially high consequence events concerning pipeline damage within sewer laterals. Threats to pipeline integrity can occur if the trenches’ installation inadvertently crosses a sewer line (or “lateral”) and penetrates, or bores, through the sewer line, creating what is referred to as a “cross bore.” For instance, through the SLIP, SoCalGas is proactively inspecting gas services for points of intrusion into house sewer lines. Should an intrusion be found, the service is remediated, which mitigates the



potential of an incident due to a homeowner or plumber attempting to clear a house sewer line when a clog is present.

Since the start of the SLIP program in 2010, approximately two million services have been reviewed and over 240,000 services inspected in the field. The SLIP forecast for records review is another two million services; the services left to inspect are dependent on the findings of the records review and should be in the vicinity of another 300,000-350,000 services based on initial findings. At the current rate, the records research is anticipated to be completed by 2022.

Historical Data:

The accompanying Excel file provides ten years of monthly historical data for the number of cross bore intrusions found per 1,000 inspections, with the exception of September 2019 through December 2019. Monthly data for September 2019 through December 2019 is reflected as an average for these four months. During this time, SoCalGas’s data collection system underwent a transition and therefore SoCalGas is unable to report monthly actuals for that quarter. SoCalGas will include monthly actuals going forward. While SoCalGas has been tracking this metric internally, this data has not previously been provided in any current regulatory report. The number of field inspections completed, and the number of cross bore intrusions found are collected internally and used to calculate this metric.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- No

Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- N/A

F. Metric No. 11: Gas Emergency Response

Metric Name and Description per D.19-04-020: “Gas Emergency Response: The average time that a Gas Service Representative or a qualified first responder takes to respond after receiving a call which results in an emergency order.”

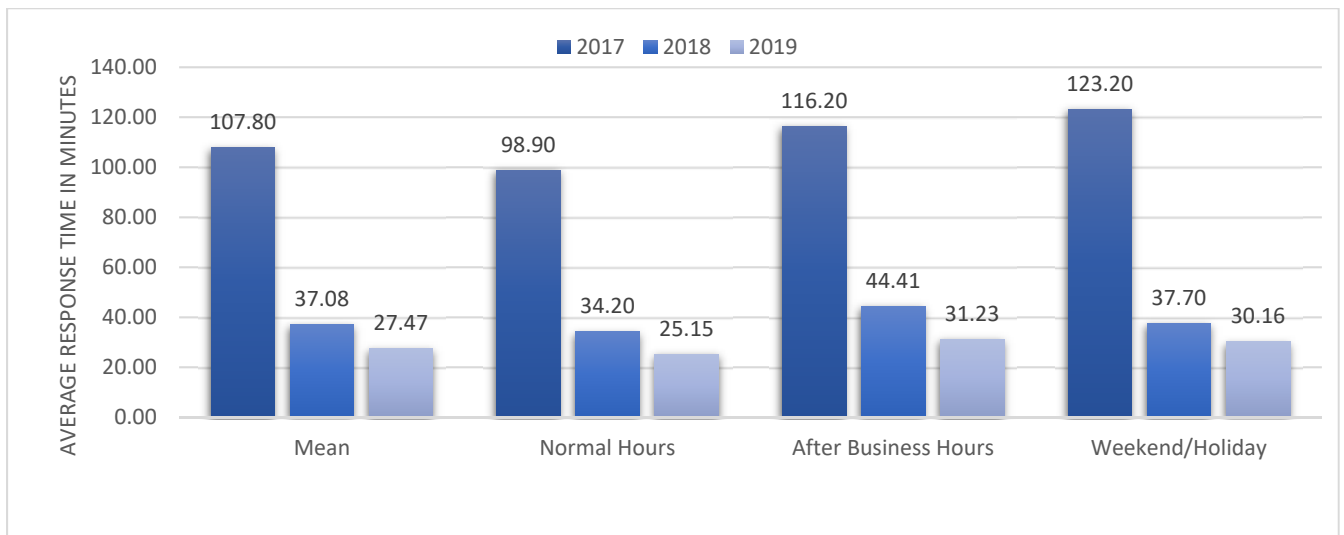
Risks: Distribution Pipeline Rupture with Ignition

Category: Gas

Units: Average response time in minutes, additionally: response times in five-minute intervals, segregated first by business hours (0800 – 1700 hours), after business hours and weekends/legal state holidays. The intervals start with 0-5 minutes, all the way to 40-45 minutes, an interval of 45-60 minutes and then all response times greater than 60 minutes.

Summary:

Summary Chart of Accompanying Gas Emergency Response Metric Data (Annual)





Narrative Context:

SoCalGas responds to emergency calls 24 hours per day, 365 days per year from a myriad of residential, commercial, industrial and agriculture customers. SoCalGas's Customer Service Field (CSF) technicians/gas service representatives respond to all calls of gas leaks or gas odors and perform a gas leak investigation. SoCalGas has a pipeline safety campaign, which is mandated by federal pipeline safety regulation.⁵⁴ SoCalGas's campaign includes bill inserts, mailings to residential and business customers, mailings to excavators, businesses, land developers and farmers, and communications to schools and universities, public officials and emergency officials. Pipeline safety efforts provide customers with information about natural gas pipeline locations; what to do if you sense a leak/smell gas; and messaging to direct the public to call 811 (*i.e.*, DigAlert) and other actions to take prior to digging.

SoCalGas attributes the significant decrease in average response times seen since 2017 in part to data collection improvements implemented in 2018. In February 2018, SoCalGas implemented a Real Time Monitoring data collection effort to more accurately capture arrival times. SoCalGas notes, however, that a singular event, such a mass gas odor notification, can skew the average results and show slower average response times due to multiple calls and resource constraints. For instance, if a nearby landfill emits a methane-like smell on a hot day, SoCalGas can receive numerous calls. Since all emergency calls are captured in this metric data, response times may be skewed as this data does not exclude such outliers.

⁵⁴ 49 C.F.R. § 192.



Historical Data:

The accompanying Excel file provides monthly historical data for 2017 through 2019 for the average time that a Gas Service Representative or a qualified first responder takes to respond after receiving a call which results in an emergency order. Per the unit description, the data has been segregated in the accompanying Excel file by (1) business hours (0800 – 1700 hours), (2) after business hours, and (3) weekends/legal state holidays. SoCalGas began tracking this metric in 2017 when CPUC General Order (GO) 112-F went into effect. The data included herein aligns with that reported in SoCalGas’s annual GO 112-F submission. SoCalGas will continue to track this metric and include in future annual reports until a full ten years of historical data is provided.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive ICP and non-executive ICP include the following customer, public and system safety performance measure:
 - A1 Order Response Time – This metric is to measure the effectiveness of response time for Customer Services A1 gas leak orders. The operational goal is for Customer Services Field Technicians to respond to A1 gas leak orders within 30 minutes during regular business hours and within 45 minutes outside of regular business hours (regular business hours are defined at 7am to 5pm Monday to Saturday, excluding holidays). This goal measures the percentage of time that Customer Services Field Technicians meet this criteria. A1 gas leak orders used for this measure excludes area order orders.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, SoCalGas’s 2019 Executive ICP and non-executive ICP include a gas safety metric for “A1 Order Response Time.” This metric is weighted at 6% of the 55% safety weighting for SoCalGas’s 2019 Executive ICP and 4% of the 35% safety weighting for SoCalGas’s 2019 non-executive ICP.



Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. SoCalGas’s A1 Order Response Time performance measure is linked to all SoCalGas director or above positions covered by either the 2019 Executive ICP or 2019 non-executive ICP.

Bias Controls – If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.

G. Metric No. 12: Natural Gas Storage Baseline Inspections Performed

Metric Name and Description per D.19-04-020: “Natural Gas Storage Baseline Inspections Performed: Tracks the progress of completing baseline and reassessment inspections that were expected to be completed within a given year.”

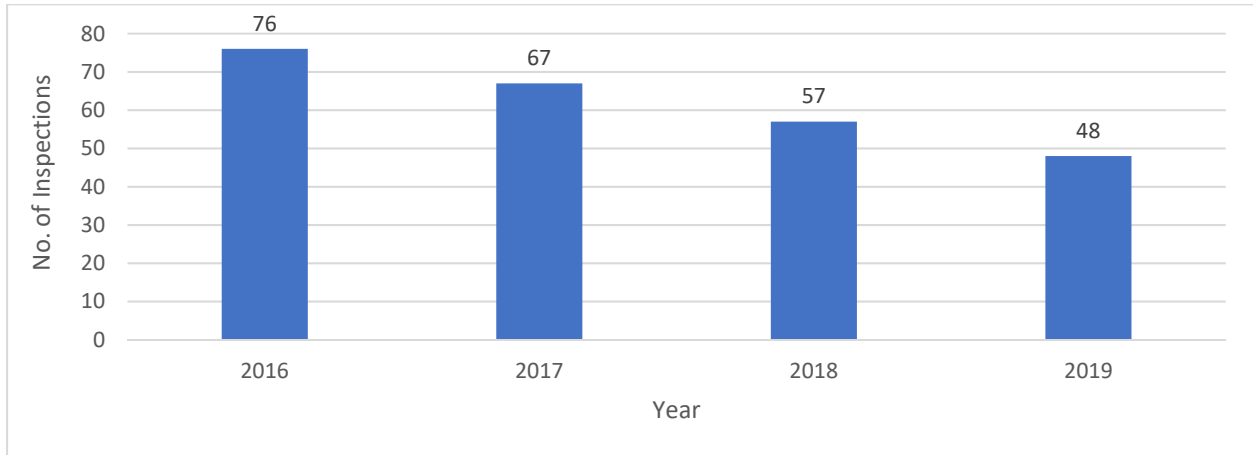
Risks: Gas Storage

Category – Gas

Units – Number of inspections

Summary:

*Summary Chart of Natural Gas Storage Baseline Inspections Performed
Metric Data (Annual)*



Narrative Context:

Historically, SoCalGas has conducted periodic storage well inspections on its storage wells, including – but not limited to – pressure tests, casing inspection logs, temperature surveys, and noise surveys. However, Metric No. 12, Natural Gas Storage Baseline Inspections Performed, is defined specifically to represent a suite of tests using state-of-the-art inspection technologies that are conducted on every storage well within an established assessment period, compliant with federal and state regulations, and supported through SoCalGas’s Storage Integrity Management Program (SIMP). The SIMP was approved by the Commission in 2016 by D.16-06-054.

The SIMP is a forward-looking, methodical, and structured program that uses state-of-the-art advanced inspection technologies (such as ultra-sonic and neutron type casing logs) along with risk management disciplines to identify and mitigate potential storage well safety and/or integrity issues.

The SIMP follows American Petroleum Institute (API) Recommended Practice (RP) 1171 *Functional Integrity of Natural Gas Storage in Depleted Hydrocarbon Reservoirs and Aquifer Reservoirs* First Edition and federal regulations (Underground Gas Storage (UGS) Interim Final Rule regulations) introduced in 2016 and finalized in 2020 (UGS Final Rule),⁵⁵ which calls for baseline risk assessment for wellbores, wellheads, and associated components. California Geologic Energy Management Division (CalGEM) (formerly known as DOGGR) regulations,⁵⁶ introduced in 2016 and effective in 2018, further defines mechanical integrity testing of a well to include, at a minimum:

- A temperature and noise log
- A casing wall thickness inspection
- Pressure testing of the production casing

These regulations and standards described above, constitute the definition of Metric No. 12: Natural Gas Storage Baseline Inspections Performed. For 2019 reporting of this metric, SoCalGas defined the completion of one unit of natural gas storage inspection (consistent with 14 CCR §1726 regulations) as the completion of a suite of tests on a storage well inclusive of: the temperature and noise log, a casing wall thickness inspection, and a pressure test of the production casing.⁵⁷ As SoCalGas completes the first “baseline” inspection for all its storage wells, future year metrics include re-inspections of wells.

SoCalGas is currently reviewing and aggregating well test data from its four active storage fields into a WellView data management system; the 2019 data provided is based on

⁵⁵ 49 C.F.R. § 192.

⁵⁶ 14 California Code of Regulations (CCR) § 1726.

⁵⁷ The pressure test, which is witnessed by CalGEM, is typically the final test in the suite of tests to determine well fitness for service. It is used as the date of inspection completion.



manual review and is the best available information known at the time provided. As such, SoCalGas reserves the right to supplement, amend or correct the report. Results of tests are also reported to California state regulator, CalGEM.

Regulations and research continue to evolve regarding the recommended frequency of well re-inspections. SoCalGas completed its baseline inspection for all its storage wells in 2019 and has now moved towards re-inspection intervals. Therefore, SoCalGas cautions that this metric may evolve and may not reflect a like-for-like comparison between various historic years.

Historical Data:

SoCalGas began tracking this metric in 2016. The accompanying Excel file provides monthly data for 2016 through 2019 for the number of natural gas storage baseline inspections performed. This metric tracks the progress of completing baseline and reassessment inspections that were expected to be completed within a given year. SoCalGas will continue to track this data for future annual reports until a full ten years of historical data is available.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive ICP and non-executive ICP include several “Customer, Public, and System Safety” measures. SoCalGas’s Storage Integrity Management Program (SIMP) – Number of Wells Inspected and/or Abandoned is included as a performance goal.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive ICP and non-executive ICP, which apply to all SoCalGas employees covered by the plan, include the SIMP well inspections as a component of a metric.



Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. As described above, all SoCalGas director level or higher positions covered by either the 2019 Executive ICP or non-executive ICP include the SIMP well inspections. The SIMP performance goal is weighted at 6% of the overall 55% safety measurement in SoCalGas’s 2019 Executive ICP and 4% of the overall 35% safety measurement in SoCalGas’s 2019 non-executive ICP.

Bias Controls – If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.

H. Metric No. 13: Percentage of the Gas System that can be Internally Inspected

Metric Name and Description per D.19-04-020: “Percentage of the Gas System that can be Internally Inspected: The ratio of transmission pipe miles that can be inspected internally to all transmission pipe miles.”

Risks: Catastrophic Damage Involving High-Pressure Pipeline Failure

Category: Gas

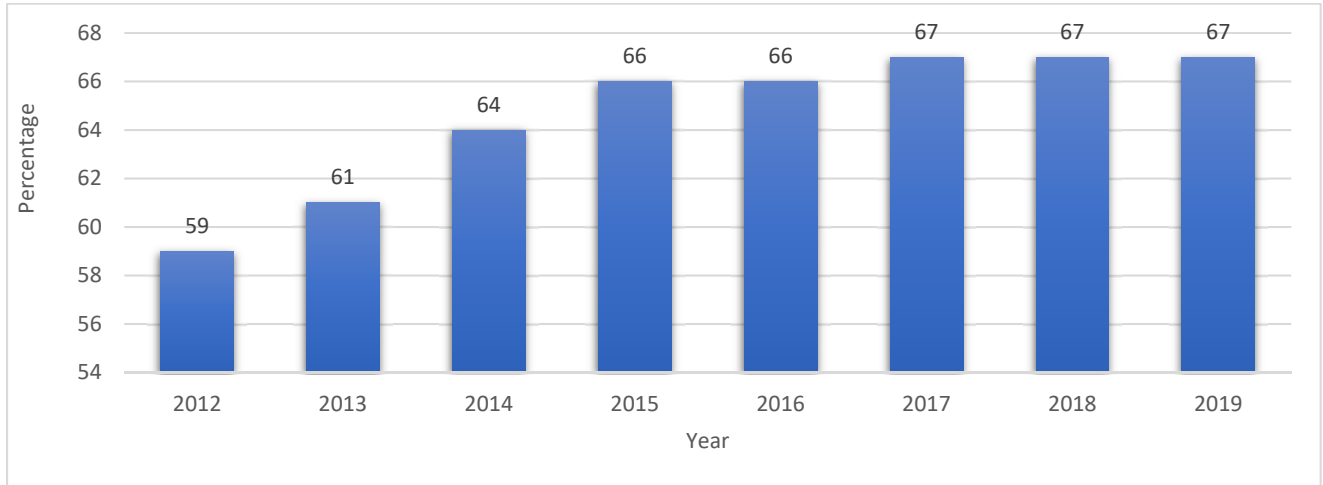
Units: Percentage



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Summary:

Summary Chart of Percentage of the Gas System that can be Internally Inspected Metric Data (Annual)



Narrative Context:

The SoCalGas transmission and distribution system operates in twelve (12) different counties and spans from the California-Arizona border to the Pacific Ocean and from the California-Mexico border to Fresno County.⁵⁸ SoCalGas is the largest gas distribution operator in the nation and the second-largest transmission operator in High Consequence Area (HCA) miles, with approximately 1,100 miles out of approximately 3,500 miles of pipelines defined as transmission by the United States Department of Transportation (DOT).

As described above for Metric No. 6, SoCalGas's Transmission Integrity Management Program (TIMP) is federally mandated⁵⁹ to identify threats to transmission pipelines in HCAs, determine the risk posed by these threats, schedule prescribed assessments to evaluate these threats, collect information about the condition of the pipelines, and take actions to minimize

⁵⁸ SoCalGas and San Diego Gas & Electric Company own and operate an integrated natural gas system.

⁵⁹ 49 C.F.R. § 192, Subpart O.



applicable threat and integrity concerns to reduce the risk of a pipeline failure. At a minimum of every seven years transmission pipelines located within HCAs are assessed using ILI, Direct Assessment or Pressure Test and remediated as needed.

ILI is the primary assessment method used to identify potential pipeline integrity threats. When a threat is identified, SoCalGas takes immediate actions to reduce risk until a repair is completed. These actions involve removing a pipeline from service or reducing the operating pressure. In cases where the assessment involves a pressure test, immediate remediation is also required as the pressure test cannot be completed until the pipeline is repaired.

TIMP reduces the risk of failure to the pipeline transmission system and on a continual basis evaluates the effectiveness of the program and scheduled assessments. TIMP Risk Assessment evaluates the Likelihood of Failure (LOF) using the nine threat categories (External Corrosion, Internal Corrosion, Stress Corrosion Cracking, Manufacturing, Construction, Equipment, Third Party Damage, Incorrect Operations, and Weather-Related and Outside Force) for transmission pipelines located within an HCA. Pipeline operational parameters and the area near the pipeline are considered to evaluate Consequence of Failure (COF). The LOF multiplied by the COF produces the pipelines Relative Risk Score. Further information is collected about the physical condition of transmission pipelines through integrity assessments. Action is taken to address applicable threats and integrity concerns to increase the safety and preclude pipeline failures.

The numbers and types of TIMP activities vary from year to year and are based on the timing of previous assessments done on the same locations. Approximately 1,120 miles out of 3,500 miles of SoCalGas's transmission pipelines are located in HCA areas. SoCalGas is the



second-largest transmission operator in the nation in terms of miles of transmission pipeline located in HCA areas.

Historical Data:

This metric represents the percentage of the gas system that can be internally inspected, otherwise known as in-line inspection or “piggable.” All of SoCalGas’s transmission pipeline is inspected in accordance with 49 CFR Part 192 Subpart O, which identifies in-line inspection, pressure test, and direct assessment. As described above for Metric No. 6, Gas In-Line Inspection, the numbers of assessment and mitigation activities vary from year to year based on the timing and intervals of prior assessments. Transmission pipelines are required to be assessed at an interval not to exceed seven years.

Annual data is included in the accompanying Excel file for 2012 through 2019 for the percentage of SoCalGas’s system that can be internally inspected. This metric represents a ratio of two metrics that are tracked and separately reported to PHMSA: 1) transmission pipe miles that can be inspected internally, and 2) the number of transmission pipe miles. The miles of transmission pipeline that can be internally inspected and the total miles of transmission pipeline are annual metrics that are currently reported in Part R of the PHMSA Gas Transmission and Gathering Annual Report F 7100.2-1. While SoCalGas has been collecting data for these two PHMSA-reportable metrics since 2012, the ratio of these two metrics has not previously been reported in an external regulatory report. These two annual metrics are utilized to calculate the percentage for this metric.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive ICP and non-executive ICP include the following customer, public and system safety performance measure:
 - Pipeline Safety Enhancement Program (PSEP) – Number of Pipeline Miles Closed out – Miles are counted when pipeline projects complete Bundle B approval. Bundle B approval is achieved when the pipeline feature data collection and submission process is complete and approved by the Pipeline Integrity department. Pipeline project miles include test, replace, abandonment and de-rate miles.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, SoCalGas’s 2019 Executive ICP and non-executive ICP include a gas safety metric for “PSEP – Numbers of Miles Closed out.” This metric is weighted at 6% of the 55% safety weighting for SoCalGas’s 2019 Executive ICP and 4% of the 35% safety weighting for SoCalGas’s 2019 non-executive ICP.

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. SoCalGas’s PSEP – Numbers of Miles Closed out performance measure is linked to all SoCalGas director or above positions covered by either the 2019 Executive ICP or 2019 non-executive ICP.

Bias Controls – If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.

I. Metric No. 14: Employee Serious Injuries and Fatalities

Metric Name and Description: Employee Serious Injuries and Fatalities: A work-related injury or illness that results in a fatality, inpatient hospitalization for more than 24 hours (other than for observation purposes), a loss of any member of the body, or any serious degree of permanent disfigurement.

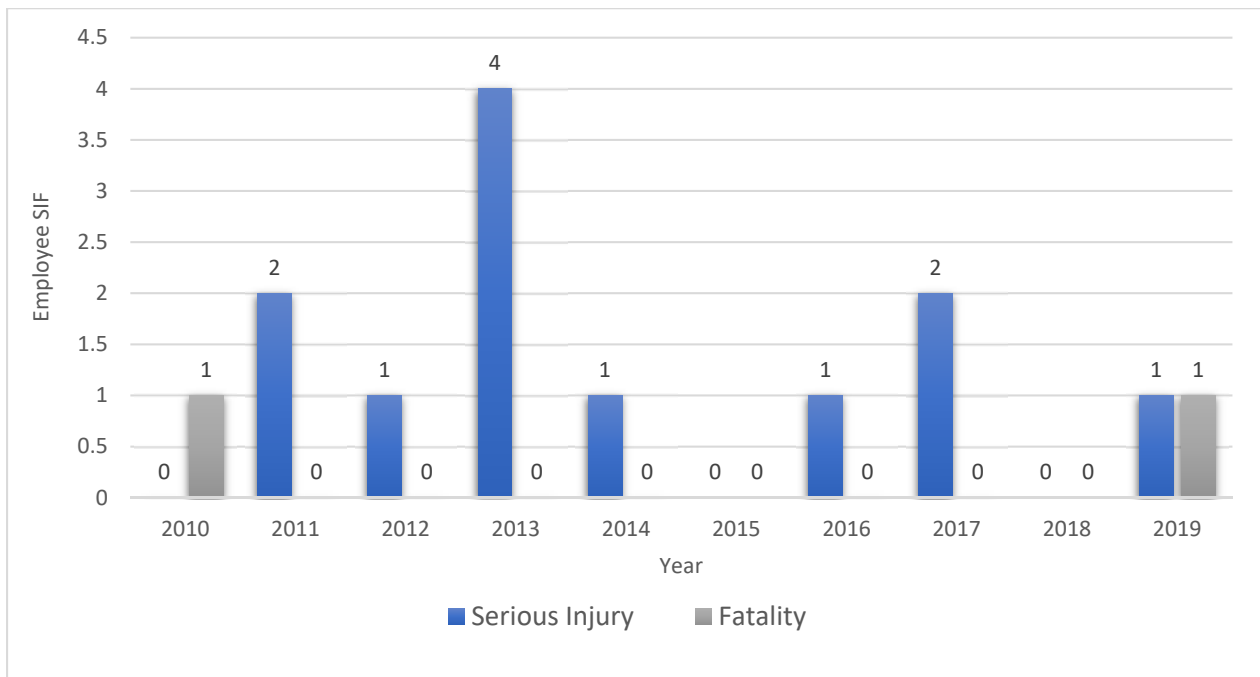
Risks: Employee Safety

Category: Injuries

Units: Number of Serious Injuries and Fatalities

Summary:

Summary Chart of Employee SIF Metric Data (Annual)



Narrative Context:

SoCalGas’s Safety group, which is part of the Safety Management Systems organization, positions SoCalGas employees to lead healthy, safe, and productive lives. The services provided by the department include but are not limited to safety and industrial hygiene education and compliance, and incident prevention, analysis and reporting.



SoCalGas's Safety group supports SoCalGas's compliance with all required health and safety regulations (*e.g.*, Department of Transportation (DOT) and OSHA regulations) and works to positively influence the SoCalGas safety culture by collaborating with SoCalGas personnel to provide education and training to promote an incident-free workplace. The Safety group reviews incidents and shares lessons learned with management, safety committees, and other departments within SoCalGas to prevent incidents and injuries from occurring. The staff also provides safety leadership training to frontline supervisors to make the safety culture more relevant and effective, benchmarks its safety practices against those of other companies in the industry, and identifies improvement potential.

SoCalGas establishes leading indicators to support injury prevention. An example of a program that captures leading indicators is the Safety Barometer Survey SoCalGas performs to assess the overall health of our safety climate and identify areas of opportunity that can help eliminate injuries and improve our focus and commitment to safety. Periodic application of the survey allows SoCalGas to compare results between different time periods and assess areas experiencing progress or a need for improvement. The goal of this assessment is to increase employee participation in, and contribution to, SoCalGas's ongoing efforts to continually improve its safety performance. SoCalGas's Safety Services department:

- Interprets and advises field operations regarding safety-related rules and regulations;
- Provides review and analysis of potential legislation that would impact the Company and develops policies to enforce them;

- Provides operational support by conducting compliance audits, sponsoring company-wide safety programs, developing and conveying safety communications, managing incidents, and performing statistical analysis;
- Conducts job observations, incident investigation and root cause analysis;
- Promotes defensive driver training, body mechanics training, and ergonomics training;
- Works with field operations to prevent incidents, perform self-audits; identify corrective actions following incidents, and conduct safety training;
- Confirms compliance with safety regulations, as well as establishes and manages programs, policies, and guidelines for the safety of employees; and
- Manages company-wide Occupational Health Nurse (OHN) services. The OHN is a specialty practice that delivers health and safety programs and services to employees. The practice focuses on promotion and restoration of health, prevention of illnesses and injuries, and protection from work-related and environmental hazards.

SoCalGas's employees receive extensive training because we believe safety starts with proactive upstream measures to prevent a safety incident from occurring. SoCalGas's mandatory employee health and safety training programs and standardized policies comprise elements as required by the California Code of Regulations (CCR) and/or Cal/OSHA. SoCalGas's safe driving programs aim to increase a driver's safety awareness to prevent and minimize the risk of motor vehicle incidents. With senior management's commitment and employee involvement, SoCalGas is driving a safety culture committed to safe driving. Additionally, SoCalGas has



implemented an employee drug and alcohol testing program managed in accordance with state and federal regulations. SoCalGas's Substance Abuse Prevention policy prohibits the use and/or possession of alcohol during working hours or reporting to work with alcohol, illegal drugs, or impairing prescribed controlled substances in their system. All employees are responsible for knowing and complying with Company policy. Violations are cause for disciplinary action up to and including termination of employment.

Employee safety incidents are entered electronically into SoCalGas's Safety Incident Management System (SIMS), as provided in SoCalGas's Injury and Illness Prevention Program (IIPP) policy. The following are types of incidents included in SIMS:

- Minor injuries or illnesses – Employee sustained an injury or illness while at work, regardless of severity and even if initially it does not appear to be work related.
- Injuries or illnesses requiring medical treatment – Employee sustained an injury or illness requiring medical treatment, while at work, regardless of severity and even if initially it does not appear to be work-related.
- Motor vehicle incidents (MVI) – Employee involved in a motor vehicle incident while at work and/or while driving on Company business in a Company or personal vehicle:
 - with or without injuries;
 - if there is any damage to property or a vehicle (including incidents involving damage to a Company vehicle while left unattended).



Since all employee safety incidents are reported in SIMS, manual review and analysis is required to collect data that meets the above definition of Employee Serious Injuries or Fatalities.

Historical Data:

Ten years of historical monthly data is provided in the accompanying Excel file for SoCalGas's employee serious injuries and fatalities. According to the metric description, reportable incidents are "a work-related injury or illness that results in a fatality, inpatient hospitalization for more than 24 hours (other than for observation purposes), a loss of any member of the body, or any serious degree of permanent disfigurement." For purposes of this 2019 report, SoCalGas applied this metric description but notes that a new definition of "Serious Injury" went into effect in California on January 1, 2020 that could impact the number of reportable incidents in 2020 and beyond.⁶⁰

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas's 2019 Executive ICP and non-executive ICP include the following employee safety performance measures:
 - Lost Time Incident Rate (LTI) -LTI is expressed as "the number of OSHA Recordable Incident Cases resulting in Lost Time per 100 employees." This measure is calculated using the number of OSHA Recordable Incidents with Lost Time per 200,000 hours worked.

⁶⁰ Effective January 1, 2020, Cal/OSHA revised its injury reporting obligations to be more aligned with the injury reporting obligations under federal OSHA. The 24-hour minimum time requirement for hospitalizations was removed. Accordingly, any hospitalization will be reportable, excluding those for medical observation or diagnostic testing. The full text of the new "serious injury or illness" definition, as of Jan. 1, 2020, is: "Any injury or illness occurring in a place of employment or in connection with any employment that requires inpatient hospitalization, for other than medical observation or diagnostic testing, or in which an employee suffers an amputation, the loss of an eye, or any serious degree of permanent disfigurement, but does not include any injury or illness or death caused by an accident on a public street or highway, unless the accident occurred in a construction zone."

- ESCMP Corrective Action – Percent of Corrective Actions documented in the Safety Information Management System (SIMS) and scheduled for completion in calendar year 2019 completed by December 31, 2019. Corrective Actions are those identified and documented in SIMS related to incidents, semi-annual safety inspections and annual ESCMP self-assessment inspections. Planned End Dates are dates established in SIMS by the Supervisor or Responsible Party.
- Alert Driving Implementation Completion – Percent of training modules completed as scheduled in the calendar year 2019. Alert driving training modules are assigned on the 1st of each month and should be completed by the end of the month or by December 31st, 2019.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, performance related to SoCalGas’s (1) LTI, (2) ESCMP Corrective Action, and (3) Alert Driving Implementation Completion are included in SoCalGas’s 2019 Executive and non-executive ICP. These specific performance measures are each weighted at 5% of the overall 55% safety management systems measures of the 2019 Executive ICP and are each weighted at 5% of the overall 35% safety management systems measures of the 2019 non-executive ICP.

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. SoCalGas’s LTI, ESCMP Corrective Action, and Alert Driving Implementation Completion performance measures are linked to all SoCalGas director or above positions covered by either the 2019 Executive ICP or 2019 non-executive ICP.

Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.



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J. Metric No. 15: Employee Days Away, Restricted and Transfer (DART) Rate

Metric Name and Description per D.19-04-020: “Employee Days Away, Restricted and Transfer (DART) Rate: DART Rate is calculated based on number of OSHA-recordable injuries resulting in Days Away from work and/or Days on Restricted Duty or Job Transfer, and hours worked.”

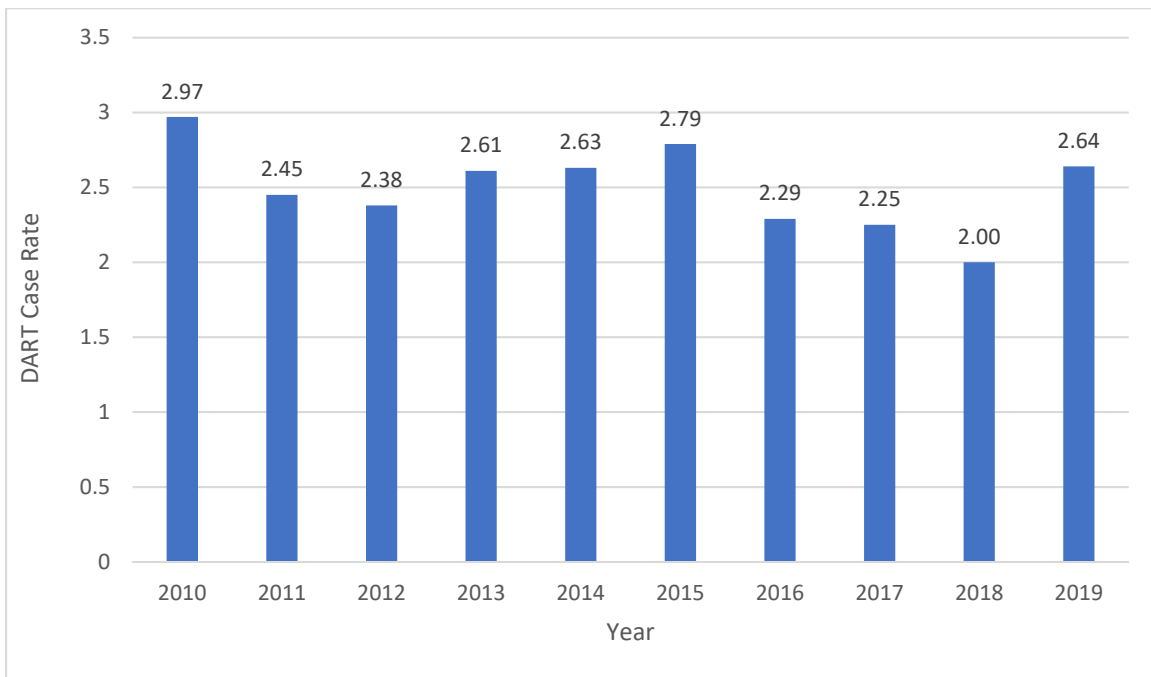
Risks: Employee Safety

Category: Injuries

Units : DART Cases times 200,000 divided by employee hours worked

Summary:

Summary Chart of Employee DART Rate Metric Data (Year-end)



Narrative Context:

The DART (Days Away/Restricted/Transfer) case rate is a lagging metric of injury severity, reflecting how many employees are kept away from their normal duties due to an injury or illness. SoCalGas’s DART rate remains consistently low across recent years but SoCalGas is continually evaluating initiatives to further reduce its DART case rate. SoCalGas attributes its



low DART case rate to its strong injury case management and continual evaluation of initiatives to eliminate or mitigate exposure to workplace hazards. Please refer to the initiatives listed in SoCalGas’s Employee Serious Injuries and Fatalities metric, above.

Historical Data:

Ten years of historical monthly data is provided in the accompanying Excel file for SoCalGas’s Employee DART Rate. A DART Rate is calculated based on the number of OSHA-recordable injuries resulting in Days Away from work and/or Days on Restricted Duty or Job Transfer, and hours worked.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive ICP and non-executive ICP include the following employee safety performance measure:
 - Lost Time Incident Rate (LTI) -LTI is expressed as “the number of OSHA Recordable Incident Cases resulting in Lost Time per 100 employees.” This measure is calculated using the number of OSHA Recordable Incidents with Lost Time per 200,000 hours worked.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, performance related to SoCalGas’s LTI is included in SoCalGas’s 2019 Executive and non-executive ICP. This specific performance measure is weighted at 5% of the overall 55% safety management systems measures of the 2019 Executive ICP and 5% of the overall 35% safety management systems measures of the 2019 non-executive ICP.

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. SoCalGas’s LTI performance measures are linked to all SoCalGas director or above positions covered by either the 2019 Executive ICP or non-executive 2019 non-executive ICP.

Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.

K. Metric No. 18: Contractor OSHA Recordables Rate

Metric Name and Description per D.19-04-020: “Contractor OSHA Recordables Rate: An OSHA recordable incident is an occupational (job-related) injury or illness that requires medical treatment beyond first aid, or results in work restrictions, death or loss of consciousness. OSHA recordable rate is calculated as OSHA recordable times 200,000 divided by contractor hours worked.”

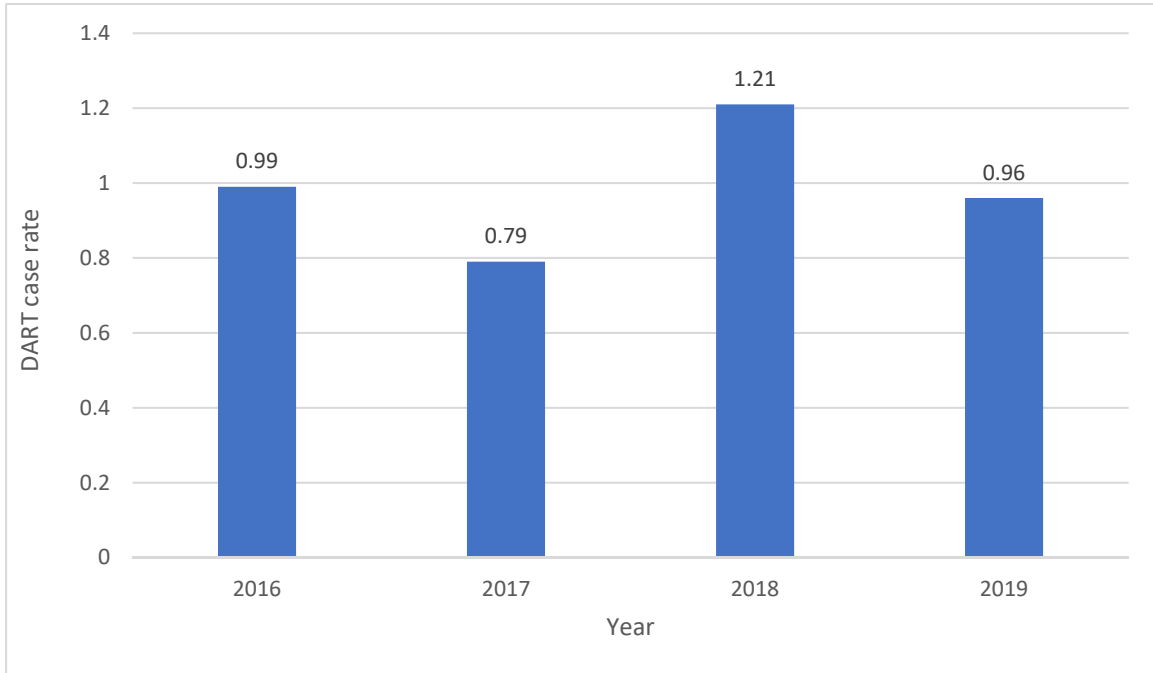
Risks: Contractor Safety

Category: Injuries

Units: OSHA recordable times 200,000 divided by contractor hours worked associated with work for the reporting utility.

Summary:

Summary Chart of Contractor OSHA Recordables Rate Metric Data (Year-end)



Narrative Context:

SoCalGas’s Contractor Safety Oversight consists of contractor safety program policies and procedures, Contractor Safety Manual for Class 1 Contractors, field inspections and oversight, post-job safety evaluation, stop-the-job, near-miss and close-call reporting, internal audits, enforcement actions, and management of the pipeline safety risk by the pipeline safety oversight committee. These key controls enhance the safety of SoCalGas construction projects from inception to completion.

In 2017, SoCalGas issued a contractor safety manual for use by all of SoCalGas’s Class 1 contractors. As described in the contractor safety manual, *“A Class 1 Contractor is a Contractor engaged by the Company to perform work that can reasonably be anticipated to expose the Contractor’s employees, subcontractors, SoCalGas employees, or the general public to one or*

more hazards that, if not properly mitigated, have the potential to result in Serious Safety Incident.” This manual consolidated the safety requirements and expectations SoCalGas has established for Contractors working for SoCalGas. These include:

- The Contractor must comply with all applicable federal, state, regional, municipal, and local laws, ordinances, rules, codes, regulations, and executive orders, including all laws, ordinances, rules, codes, regulations, and executive orders applicable to health and safety, the SoCalGas Contractor Safety Manual, and all contract terms as set forth in the contract entered into with the Company, and must confirm that all employees and subcontractors working on Contractor’s behalf meet or exceed these same requirements.
- Contractors must provide a safe working environment for their employees and subcontractors and make sure their operations do not adversely impact the safety of SoCalGas employees or the public. The personal safety of a Contractor’s employees and subcontractors is the Contractor’s responsibility.
- The Company reserves the right to take action, including, but not limited to, issue warnings, withhold payment, suspend work, require the removal of contractor personnel from the project, notify enforcement agencies, and terminate the contract if the Contractor does not comply with applicable laws, all site and system-related safety requirements, the SoCalGas Contractor Safety Manual, and all terms and conditions required by the contract entered into with the Company.
- A process for pre-qualification of contractors for safety, including a defined set of pre-qualification criteria.

- The manual provides guidelines on the process to be followed in managing safety on construction projects, including reviewing applicable compliance requirements, providing appropriate oversight on contractor work, and reporting safety incidents.

SoCalGas uses third party administration tools to manage various aspects of its contractor safety program. For example, the ISNetworld platform is to pre-qualify, vet, and monitor Class 1 Contractors for safety. ISNetworld is an online contractor and supplier management platform of data-driven products and services that help manage risk through data collected across the contractors' operations nationally. Each Class 1 Contractor currently performing or seeking to perform work for SoCalGas must have an ISN account. Before performing any work for SoCalGas, Class 1 Contractors must upload the information specified in the SoCalGas Pre-Qualification Criteria to ISN. ISN's Review and Verification Services (RAVS) Team reviews self-reported information against regulatory our requirements. ISN safety experts also review contractor safety compliance programs and validates their accuracy and completeness. ISN uses an "A," "B," "C," and "F" grading system to measure Contractors' safety performance against criteria established by SoCalGas. Contractors who receive an "A" or "B" grade and continue to maintain an "A" or "B" grade, are deemed qualified and are approved to work for SoCalGas. Contractors who receive a "C" or "F" grade, and those whose grade changes from an "A" or "B" to a "C" or "F," must be approved through SoCalGas's Variance Request Process. Variances are approved at the director and officer levels. This process promotes safer contractors to be used by SoCalGas and thereby reduces the risk of safety incidents on SoCalGas projects.



Historical Data:

Monthly data is provided in the accompanying Excel file for 2018 through 2019 for SoCalGas’s Contractor OSHA Recordables Rate. The OSHA recordable rate is calculated as OSHA recordable times 200,000 divided by contractor hours worked. SoCalGas utilizes a third-party administration tool to collect SoCalGas-specific hours and incidents to calculate the rates reported to OSHA and included here. SoCalGas will continue collecting this data for inclusion in future annual Safety Performance Metrics Reports until a full ten years of monthly historical data exists.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- No

Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- N/A

L. Metric No. 20: Contractor Serious Injuries and Fatalities

Metric Name and Description per D.19-04-020: “Contractor Serious Injuries and Fatalities: A work-related injury or illness that results in a fatality, inpatient hospitalization for more than 24 hours (other than for observation purposes), a loss of any member of the body, or any serious degree of permanent disfigurement.”

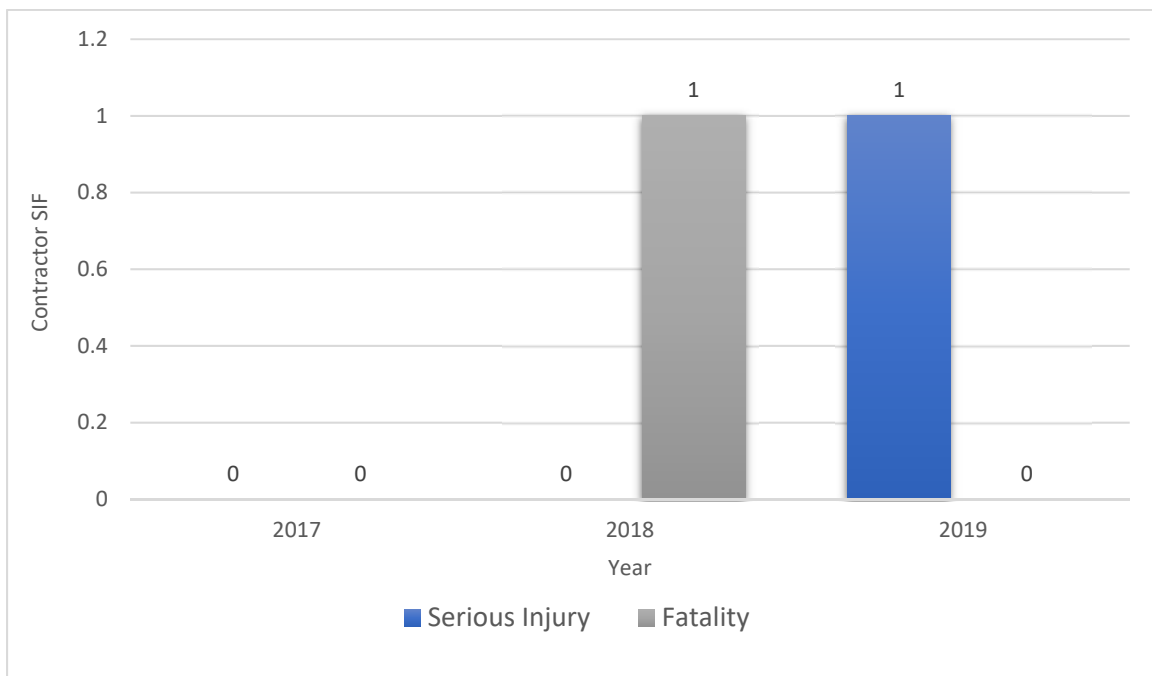
Risks: Contractor Safety

Category: Injuries

Units: Number of work-related injuries or illnesses associated with work for the reporting utility.

Summary:

Summary Chart of Contractor Serious Injuries and Fatalities Metric Data (Annual)



Narrative Context:

As described above for Metric No. 18, Contractor OSHA Recordables Rate, SoCalGas’s comprehensive contractor safety program consists of the pre-qualification, oversight, observations, pre-work safety meetings and efforts all aimed to reduce risk of a safety event



caused by Class 1 contractors while conducting work on behalf of SoCalGas. SoCalGas aims to reinforce its strong safety culture by engaging contractors in a variety of ways, including hosting an annual Contractor Safety Congress and three Quarterly Meetings with its Class 1 contractors. For example, SoCalGas’s annual Contractor Safety Congress was initiated in 2015 as a way to share safety best practices and learn from one another’s experiences. The event is expected to continue to further strengthen our collective “safety culture” and provide a foundation for safety improvement. Attendees include representatives from a wide variety of contractors, including diverse business enterprises, and select representatives from SoCalGas who oversee contractors. The forum provides an opportunity for SoCalGas executives to share their safety vision and expectations with contractors and offer opportunity for contractors to showcase their safety successes and challenges and share serious safety incidents and lessons learned so others can benefit from their experience and improve their safety performance.

Additionally, SoCalGas requires all its Class 1 contractors to develop and implement a Stop the Job policy on SoCalGas projects. Stop the Job is a critical process and gives authority to everyone onsite to stop a job or task if an unsafe work condition, behavior or activity is identified. All work must immediately cease in the area of concern once the Stop the Job is declared until site supervision and the involved Contractor(s) have done an investigation, the identified situation is abated, controlled, or otherwise determined to be safe and the situation and outcome are explained to affected personnel. SoCalGas also encourages its contractors to report near miss or close calls or good catch incidents so that everyone can learn from these incidents and prevent injuries and/or reduce/eliminate safety risks on the job and to our pipeline delivery system.



SoCalGas’s Safety group work unit also participates in incident analysis and reporting and facility inspections and administers numerous facets of the SoCalGas occupational health and safety program. The work unit oversees the DOT-required programs of SoCalGas contractors to verify they are also in compliance with the DOT drug and alcohol testing regulations and submits annual contractor drug testing program statistical reports to federal agencies, as required by DOT regulations.

Historical Data:

Monthly data is provided in the accompanying Excel file for 2018 through 2019 for SoCalGas’s Contractor Serious Injuries and Fatalities. This data includes any work-related injury or illness that results in a fatality, inpatient hospitalization for more than 24 hours (other than for observation purposes), a loss of any member of the body, or any serious degree of permanent disfigurement, as provided in the S-MAP metric definition. SoCalGas utilizes a third-party administration tool to collect SoCalGas-specific incidents for the data reported to OSHA and included here. SoCalGas will continue collecting this data for inclusion in future annual Safety Performance Metrics Reports until a full ten years of monthly historical data exists.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- No

Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- N/A

M. Metric No. 21: Contractor Lost Work Day Case Rate

Metric Name and Description per D.19-04-020: “Contractor Lost Work Day Case Rate: This measures the number of Lost Work Day (LWD) cases incurred for contractors per 200,000 hours worked (for approximately every 100 contractors). A Lost Work Day Case is a current year OSHA Recordable incident that has resulted in at least one lost workday. An OSHA Recordable incident is an occupational (job related) injury or illness that requires medical treatment beyond first aid, or results in work restrictions, death or loss of consciousness. The formula is: LWD Case Rate = Number of LWD Cases / productive hours worked x 200,000.”

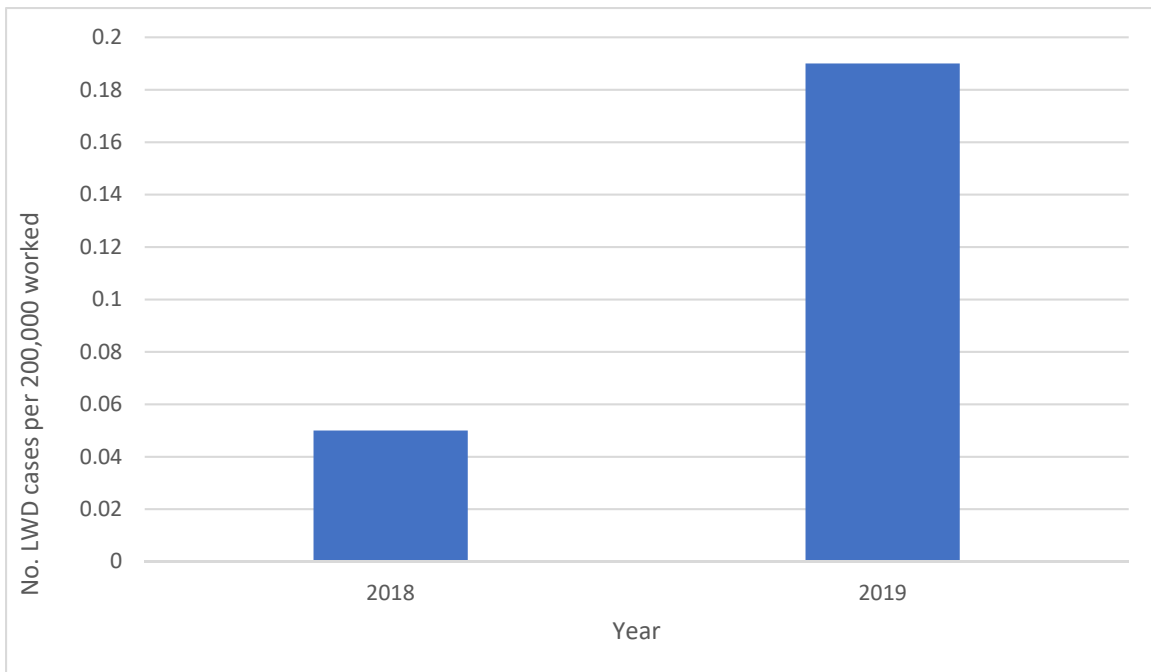
Risks: Contractor Safety

Category: Injuries

Units: Number of Lost Work Day (LWD) cases incurred for contractors per 200,000 hours worked associated with work for the reporting utility.

Summary:

Summary Chart of Contractor Lost Work Day Rate Case Metric Data (Year-end)





Narrative Context:

As described above for Metric No. 18, Contractor OSHA Recordables Rate, SoCalGas's comprehensive contractor safety program consists of the pre-qualification, oversight, observations, pre-work safety meetings and efforts all aimed to reduce risk of a safety event caused by Class 1 contractors while conducting work on behalf of SoCalGas. SoCalGas aims to reinforce its strong safety culture by engaging contractors in a variety of ways, including hosting an annual Contractor Safety Congress and three Quarterly Meetings with its Class 1 contractors. For example, SoCalGas's annual Contractor Safety Congress was initiated in 2015 as a way to share safety best practices and learn from one another's experiences. The event is expected to continue to further strengthen our collective "safety culture" and provide a foundation for safety improvement. Attendees include representatives from a wide variety of contractors, including diverse business enterprises, and select representatives from SoCalGas who oversee contractors. The forum provides an opportunity for SoCalGas executives to share their safety vision and expectations with contractors and offer opportunity for contractors to showcase their safety successes and challenges and share serious safety incidents and lessons learned so others can benefit from their experience and improve their safety performance.

Additionally, SoCalGas requires all its Class 1 contractors to develop and implement a Stop the Job policy on SoCalGas projects. Stop the Job is a critical process and gives authority to everyone onsite to stop a job or task if an unsafe work condition, behavior or activity is identified. All work must immediately cease in the area of concern once the Stop the Job is declared until site supervision and the involved Contractor(s) have done an investigation, the identified situation is abated, controlled, or otherwise determined to be safe and the situation and



outcome are explained to affected personnel. SoCalGas also encourages its contractors to report near miss or close calls or good catch incidents so that everyone can learn from these incidents and prevent injuries and/or reduce/eliminate safety risks on the job and to our pipeline delivery system.

Historical Data:

Monthly data for years 2018 through 2019 is included in the accompanying Excel file for SoCalGas’s Contractor LWD case rate. As provided in the S-MAP Phase Two Decision definition, this metric measures the number of LWD cases incurred for contractors per 200,000 hours worked (for approximately every 100 contractors). A LWD case is a current year OSHA recordable incident that has resulted in at least one lost work day. The formula is: LWD Case Rate = Number of LWD Cases / productive hours worked x 200,000. SoCalGas utilizes a third-party administration tool to collect SoCalGas-specific incidents for the data reported to OSHA and included here. SoCalGas will continue tracking this metric for inclusion in future Safety Performance Metric Report submissions until a full ten years of monthly historical data is provided.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- No



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Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- N/A

N. Metric No. 22: Public Serious Injuries and Fatalities

Metric Name and Description per D.19-04-020: “Public Serious Injuries and Fatalities: A fatality or personal injury requiring in-patient hospitalization involving utility facilities or equipment. Equipment includes utility vehicles used during the course of business.”

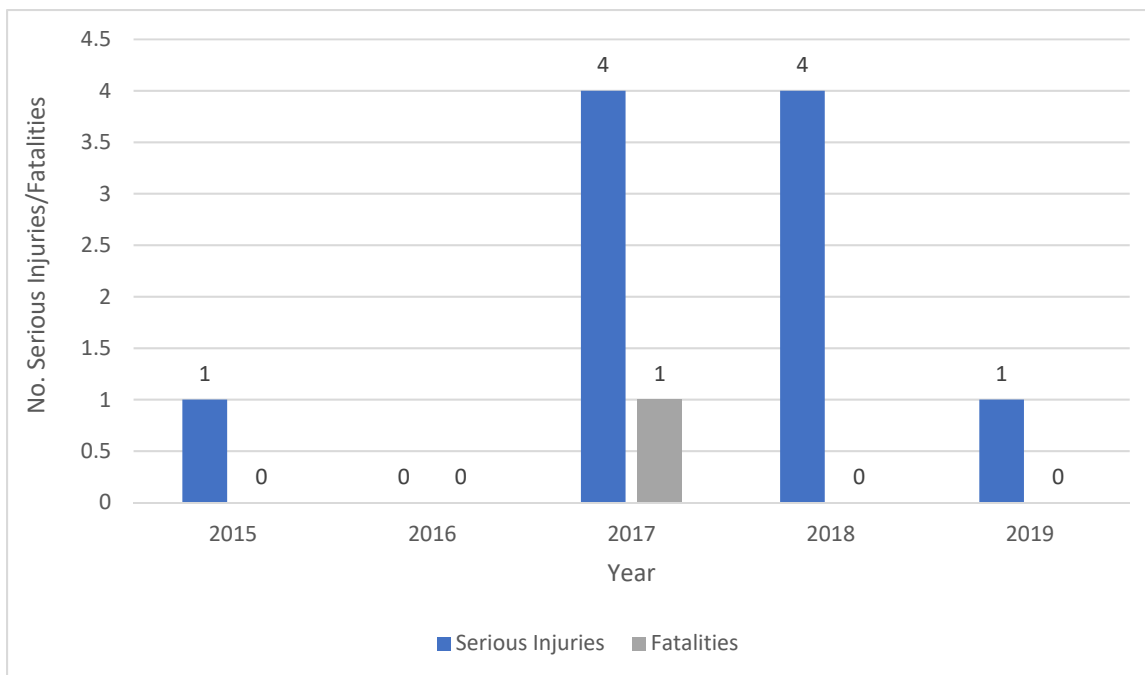
Risks: Public Safety

Category: Injuries

Units: Number of Serious Injuries and Fatalities

Summary:

Summary Chart of Public Serious Injuries and Fatalities Metric Data (Annual)



Narrative Context:

Public safety is a core value at SoCalGas and embedded in every aspect of our work.

SoCalGas conducts public awareness efforts to enhance the safety of its customers and general



public. These efforts are designed to engage with the Company's customers and the public to inform them about our shared safety responsibilities. Communication with the public promotes safety through a wide array of topics including, but not limited to information about gas line locations and safe practices. Without adequate communication and education programs, the public may not know how to safely dig on their property or how to keep themselves safe around company facilities that may be damaged during an event. Communication with the public also allows customers to be able to detect possible safety issues with their homes. Without adequate communications and education programs, a customer or member of the general public may not know how to identify a hazardous situation or how to prevent one.

SoCalGas regularly assesses its policies, procedures and safety culture and encourages two-way communication between employees and management as a means of identifying and managing safety risks. Since 2014, management has created multiple methods for employees to report close calls and near misses, which has helped further mitigate this risk. Safety is a core value, so we provide all employees with the training necessary to safely perform their job responsibilities. SoCalGas has formal procedures, processes, and standards it maintains to provide guidance to employees and document the manner in which work is to be performed safely, which are continuously updated, in addition to training practices including module and skills testing, field evaluations for employees and a Quality Assurance Program that involves random testing. Strong continuous improvement practices result in periodic updates to these items.

An integrated approach to safety is taken by SoCalGas, and there is a multitude of safety practices infused in every aspect of the Company from its design and construction of facilities to



the continuous evaluation and improvement of operation and maintenance activities. SoCalGas addresses safety concerns through public communication and awareness, emergency response, safety programs and practices and fosters a workplace that encourages continual open and informal discussion of safety-related issues. For example, SoCalGas has meetings and campaigns that are founded on safety training and workforce education. These initiatives also reassure the safety of the public and our customers.

Historical Data:

SoCalGas includes public serious injuries and fatalities data for 2015 through 2019 in the accompanying Excel file. Per the metric description, reportable data includes “a fatality or personal injury requiring in-patient hospitalization involving utility facilities or equipment. Equipment includes utility vehicles used during the course of business.” SoCalGas’s internal database captures historical data to 2015. Therefore, data prior to 2015 is not included in this submission, and SoCalGas will build upon this data in future Safety Performance Metrics Report submissions until the full ten years of historical monthly data is provided.

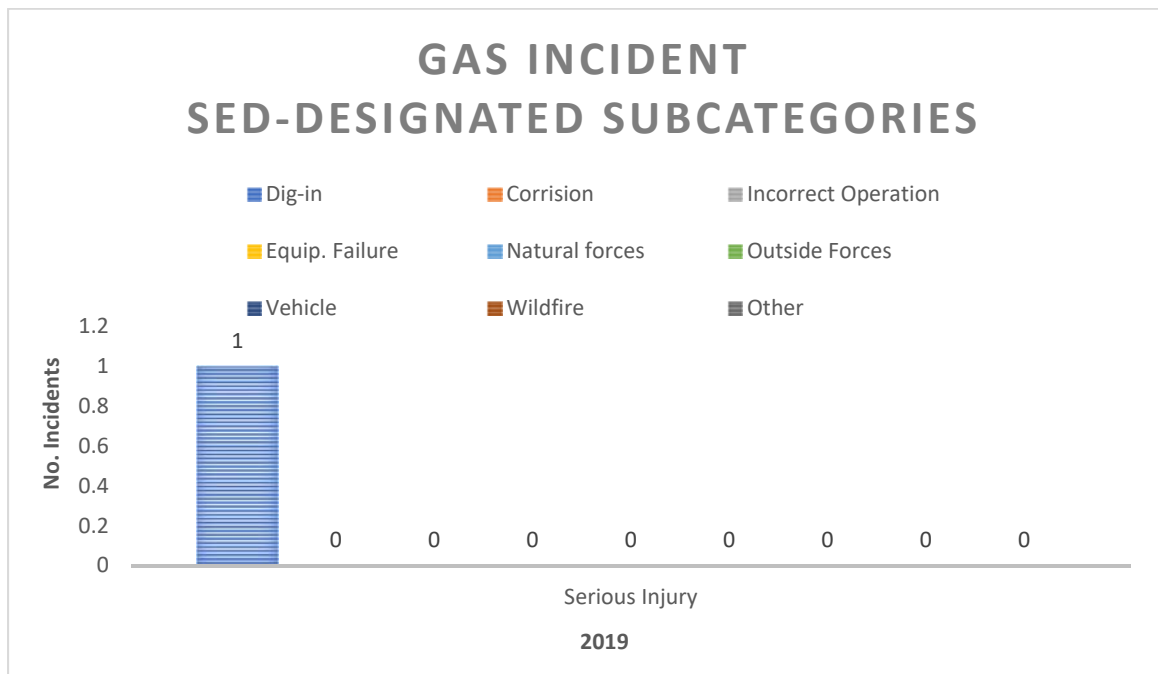
SoCalGas submitted a draft of its Public-SIF data to the Commission’s Safety and Enforcement Division staff on January 31, 2020, as directed by D.19-04-020.⁶¹ On March 11, 2020, SED provided the IOUs⁶² with the designated subcategories for the Public Serious Injuries and Fatalities metric. D.19-04-020, Footnote 49 states “[f]or Metric 22, Public Serious Injuries and Fatalities, we do not require the IOUs to report ten-year historical data using the

⁶¹ The data included in this final report supersedes that included in the January 31 draft submission as SoCalGas’ draft Pub-SIF data included injuries beyond those required to be reported here per the metric description.

⁶² March 11, 2020 e-mail from Mr. Steven Haine, SED staff, to PG&E, SCE, SDG&E and SoCalGas representatives.

subcategories for IOU reporting on public serious injuries and fatalities discussed in this decision. The requirement to report subcategories for this metric applies prospectively and should be reported for the current and future years.”⁶³ Therefore, using the subcategories designated by SED,⁶⁴ SoCalGas’s 2019 Pub-SIF data can be categorized as follows, as further represented in the chart below:

- July 15, 2019 - Serious injury: Gas Incident – excavation damage (“dig ins”)



Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. SoCalGas’s 2019 Executive ICP and non-executive ICP includes a category of “Customer, Public & System Safety” performance goals. The performance goals included within the Customer, Public & System Safety category include:
 - A1 Order Response Time;
 - Pipeline Safety Enhancement Program – Number of Pipeline Miles Closed Out;
 - Damage Prevention – Damages per USA Ticket Rate;

⁶³ D.19-04-020 at p. 26.

⁶⁴ SED designated nine gas incident-related subcategories, as reflected in the chart. The additional nine electric incident-related subcategories are not applicable to SoCalGas.

- DIMP Vintage Integrity Program – Miles of Vintage Mains and Services Replaced; and
- Storage Integrity Management Program (SIMP) – Number of Wells Inspected and/or Abandoned.

As stated in Section III, above, SoCalGas’s Executive and non-executive Incentive Compensation Plans are reviewed and updated on an annual basis. For purposes of this 2019 report submission, SoCalGas references the incentive compensation plans in place as of 2019.

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- Yes. As described above, SoCalGas’s 2019 Executive Incentive Compensation Plan and non-executive Incentive Compensation Plan includes a category of “Customer, Public & System Safety” performance goals. The performance goals within this category are weighted as follows as part of SoCalGas’s 55% safety weighting in its 2019 Executive ICP and 35% safety weighting in its 2019 non-executive ICP.
 - A1 Order Response Time – 6% Executive ICP weighting/4% non-executive ICP weighting
 - Pipeline Safety Enhancement Program – Number of Pipeline Miles Closed Out - 6% Executive ICP weighting/4% non-executive ICP weighting
 - Damage Prevention – Damages per USA Ticket Rate - 6% Executive ICP weighting/4% non-executive ICP weighting
 - DIMP Vintage Integrity Program – Miles of Vintage Mains and Services Replaced - 6% Executive ICP weighting/4% non-executive ICP weighting
 - Storage Integrity Management Program (SIMP) – Number of Wells Inspected and/or Abandoned - 6% Executive ICP weighting/4% non-executive ICP weighting

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- Yes. The above listed performance goals within the Customer, Public & System Safety category are linked to all Executive (Director level or higher) positions covered by either the SoCalGas 2019 Executive ICP or 2019 non-executive ICP.

Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- Sempra Energy’s Audit Services department audits SoCalGas’s annual Executive ICP and non-executive ICP results and calculations. Each safety-related performance metric is well defined in the approved annual ICP plan. The annual ICP plan further specifies how each metric is tracked. SoCalGas’s ICP performance results are reviewed by the Sempra Energy Audit Services department prior to SoCalGas board approval.



O. Metric No. 23: Helicopter/Flight Accident or Incident

Metric Name and Description per D.19-04-020: “Helicopter/Flight Accident or Incident. Defined by Federal Aviation Regulations (FARs), reportable to FAA per 49-CFR-830.”

Risks: Aviation Safety; Helicopter Operations; Public Safety; Worker Safety; Employee Safety.

Category: Vehicle

Units: Number of accidents or incidents (as defined in 49 CFR Section 830.5 “Immediate Notification”) per 100,000 flight hours.

Narrative Context:

To date, SoCalGas has performed minimal unmanned aircraft flight hours and has not performed manned aircraft flight hours through 2019. Unmanned operations may include structure integrity assessments, environmental and sensitive area surveys, and post storm or fire damage assessments. SoCalGas conducts a periodic review of both safety policies and safety objectives to confirm our policies remain relevant and appropriate.

Historical Data:

SoCalGas has no reportable incidents and no data for this metric given the low number of unmanned aircraft hours performed and no manned aircraft flight hours performed through 2019.

Is Metric Used for the Purposes of Determining Executive (Director Level or Higher) Compensation Levels and/or Incentives? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to the Determination of Individual or Group Performance Goals? (Ordering Paragraph 6A.)– [Yes/No]

- No

Is Metric Linked to Executive (Director Level or Higher) Positions? (Ordering Paragraph 6B.)– [Yes/No]

- No



Bias Controls: If any of the above are answered “yes,” provide a description of bias controls in place for this specific metric.

- N/A



Attachment B

Native/Excel file of 10 years of monthly historical data, where available,
for all applicable metrics served to parties of A.15-05-002, A.17-10-008, and made available
upon request