

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 20, 2022.

GI-2021-05-SCG-56-02-ABC

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

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed Southern California Gas Company's (SoCalGas') response letter dated October 6, 2021, for the findings identified during the General Order (G.O.) 112-F Comprehensive Operation and Maintenance Audit of SoCalGas' NW South Coast Distribution Districts. This audit was conducted on May 3 through May 7 and May 10 through May 14, 2021.

Attached is a summary of SED's inspection findings, SoCalGas' responses to SED's findings, and SED's evaluation of SoCalGas' responses to the findings.

This letter serves as the official closure of the 2021 Comprehensive O&M Audit and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program or a formal proceeding.

Thank you for your cooperation in this inspection. If you have any questions, please contact Wilson Lule, Utilities Engineer, at (213) 392-4965 or by email at wkl@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthewson Epuna".

Matthewson Epuna
Program & Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

cc: Troy Bauer, SoCalGas
Gwen Marelli, SoCalGas
Mohammad M Ali, SED/GSRB
Kan-Wai Tong, SED/GSRB
Claudia Almengor, SED/GSRB

Post-Inspection Written Preliminary Findings

Date of Transmittal: 07/19/2021

Dates of Inspection: May 03-14, 2021

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Inspection Systems: Crenshaw and Santa Monica Districts

Assets (Unit IDs) with results in this report: Northwest - South Coast (87039)

System Type: GD

Inspection Name: 2021 SED NW SOUTH COAST DISTRIBUTION AUDIT

Lead Inspector: Wilson Lule

Operator Representative: Alex Hughes, James Cervantes

Probable Violations

1. Pipeline Inspection (Field)

Question Atmospheric Corrosion Monitoring

Title:

Question: Is pipe that is exposed to atmospheric corrosion protected?

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

Assets Northwest – South Coast (87039 (56))

Covered:

Issue During the field inspection of the South Coast facilities, SED observed that exposed pipe
Summary: at/or near ██████ Mulholland Dr, Los Angeles had cracked pipe wrap and showed signs of atmospheric corrosion at several spots.

49 CFR §192.479 Atmospheric Corrosion Control, Item (b) states:

“Coating material must be suitable for the prevention of atmospheric corrosion.”

SED finds SoCalGas in violation of G.O. 112-F, Reference Title 49 CFR, Part 192, §192.479(b) for failing to adequately protect its pipeline from atmospheric corrosion.

SoCalGas Response & Corrective Action

SoCalGas acknowledges that the wrap on this service was cracked and sent a crew out to re-wrap the pipe on 09/16/21 on order 5200002797780. The picture below shows the completed work:



SoCalGas disagrees with SED's statement that the pipe showed signs of atmospheric corrosion. The pipe was found to have surface rust that was addressed by re-wrapping the pipe. The aboveground steel pipe has been removed, as of 11/29/2021 on order 540000477506.

SED's Conclusion:

SED has reviewed SoCalGas' response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

2. Generic Questions: Generic Questions (Aboveground pipe supports)

Question: Generic question – Does above ground pipe have enough supports to prevent undue stress on pipe?

References: 192.161(a), 192.161(b) and 192.361(d)

Assets Northwest - South Coast (87039 (56))

Covered:

Issue During field inspection of SoCalGas' South Coast facilities, SED staff observed that an above ground 3/4-inch diameter and 60 feet long service line, at/or near [REDACTED] Mulholland drive, Los Angeles was unsupported, and bent at one end to align the pipe to the sloping topography.

49 CFR §192.161 Supports and Anchors, Item (b) states:

“Each exposed pipeline must have enough support or anchors to protect the exposed pipe joints from the maximum end force caused by internal pressure and any additional forces caused by temperature expansion or contraction or by the weight of the pipe and its contents.”

SED finds SoCalGas in violation of G.O. 112-F, Reference Title 49 CFR, Part 192, §192.161(b) for failing to provide enough supports or anchors to prevent undue strain on the pipeline and its associated equipment.

SoCalGas Response & Corrective Actions:

SoCalGas acknowledges that the service at [REDACTED] Mulholland Dr. is unsupported. The aboveground High-Pressure service and a branch service were replaced with a curbside First Stage Regulation (FSR) and a buried 1” PLA service and branch – The aboveground steel pipe has been removed, as of 11/29/2021 on order 540000477506.

SED’s Conclusion:

SED has reviewed SoCalGas’ response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

Concerns

1. Records: Operations and Maintenance

Question Title: Valve maintenance Distribution Lines

Question: Do records indicate proper inspection of each distribution system valve that might be required in an emergency at intervals not exceeding 15 months, but at least once each calendar year, and prompt remedial action to correct any valve found inoperable?

References: 192.603(b) (192.747(a), 192.747(b))

Assets Northwest - South Coast (87039 (56))

Covered:

Issue Valve 3750-04 in Santa Monica District and Valve 3702A-15 in Crenshaw District were Summary: both found "Hard to Operate" in their annual inspections in 2017. SoCalGas did not inspect them quarterly as required by their procedure 184.16. However, this issue was discovered in a previous audit and SoCalGas revised their system so that abnormal conditions for valves now automatically generate quarterly inspections in SAP. SED is aware that this will no longer be an issue but wanted to note the finding for the record.

SoCalGas Response & Corrective Actions:

SoCalGas acknowledges that these valves were not initially placed on a quarterly inspection cycle as required by Gas Standard 184.16. At the time, "hard to operate" valves like these were monitored through exception reports, and follow-up inspection orders were manually generated by a clerk.

Since then, SoCalGas has automated the "hard to operate" valve follow up order via SAP, which eliminated the need to create the quarterly inspection orders manually. Gas Standard 184.16 has been updated to state:

"SAP will automatically issue a quarterly inspection order until the valve is no longer classified as 'Hard to Operate' and is identified 'Satisfactory'."

SED's Conclusion:

SED has reviewed SoCalGas' response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.

2. Pipeline Field Inspection: Pipeline Inspection (Field)

Question Title: Customer Meters and regulator protection

Question: Are meters and service regulators being protected from damage consistent with the requirements of 192.355?

References: 192.351 (192.355(a), 192.355(b), 192.355(c))

Assets Covered: Northwest - South Coast (87039 (56))

Issue Summary: Meters and service regulators located at [REDACTED] & [REDACTED] 55th Place, [REDACTED] 57th St, are not protected from vehicular damage that may be anticipated. Meter at [REDACTED] Federal Ave, Los Angeles, located in a pit (curb box) was found half-way buried in the dirt. To ensure that SoCalGas meters and service regulators are protected from damage, SoCalGas should take appropriate actions, repair, and maintain the facilities to demonstrate compliance with Title 49, CFR Parts 192.353(a) & Part 192.355(b)(3).

SoCalGas Response & Corrective Actions:

SoCalGas acknowledges that the meter and service regulator located at [REDACTED] W. 55th Street, which is SoCalGas's address of record, not [REDACTED] 55th Place, was exposed to vehicular traffic. A meter guard was installed at [REDACTED] W. 55th St. on 05/26/21, on order 540000452392. A picture of the meter guard is shown below:



SoCalGas would disagree with SED's assessment that the meter set assembly at [REDACTED] W. 55th, which is SoCalGas' address of record, not [REDACTED] 55th Place, is exposed to vehicular traffic. The meter set assembly is an underset on a side of the house with no vehicular or pedestrian traffic in the area. A picture of the meter set assembly location is shown below:



SoCalGas acknowledges that the meter and service regulator located at [REDACTED] 57th Street was exposed to vehicular traffic. A meter guard was installed at [REDACTED] 57th St. on 05/13/21, on order 540000452295. A picture of the meter guard is shown below:



In reference to the meter set assembly at [REDACTED] Federal Ave., the excess dirt was removed by the employee who encountered it during the inspection. In addition, SoCalGas Engineering has determined that a meter made of cast iron or aluminum with a specialized (rubber) coating can be in direct contact with dirt, including up to, or just below, bottom of the index (to the point that the index is not affected by the dirt), or just below the connection components, whichever is lower, in the most extreme case. Use of these meters in curb meter boxes also allows for the meter to sit directly on the soil, thus eliminating the potential for stress to be applied to the service and customer houseline piping.

SED's Conclusion:

SED has reviewed SoCalGas' response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.