

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 9, 2022

GI-2022-03-SCG-40-08 / GI-2022-03-SDG-48-08

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

SUBJECT: General Order 112 Inspection of the Southern California Gas Company's and San Diego Gas and Electric Company's Gas Transmission Integrity Management Program (TIMP)

Dear Mr. Schwecke:

On behalf of the Safety and Enforcement Division (SED) of the California Public Utilities Commission, Paul Penney and Kai Cheung conducted a General Order 112 inspection of Southern California Gas Company (SoCal Gas) and San Diego Gas and Electric Company (SDG&E) Transmission Integrity Management Programs (TIMP) the weeks of 3/14→3/18/22, 3/21→3/25/22, and 6/27/22. The inspection included identifying High Consequence Areas (HCAs), Moderate Consequence Areas (MCAs), and Baseline assessments for new HCAs, identifying newly active threats, Data Integration and Risk Assessment.

SED's findings are noted in the Post-Inspection Written Preliminary Findings (Summary) which is enclosed with this letter. The Summary reflects only those records that SED inspected during the inspection. SED found four concerns with follow-up questions included in the inspection summary.

Please provide a written response within 30 days of your receipt of this letter indicating measures taken by SoCal Gas and SDG&E to address the findings noted in the Summary.

If you have any questions, please call Paul Penney at (415) 703-1817.

Sincerely,

A handwritten signature in blue ink that reads "Terence Eng".

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

cc: Alex Hughes, SoCal Gas
Gwen Marelli, SoCal Gas
Dennis Lee, GSRB
Paul Penney, GSRB
Kai Cheung, GSRB

Post-Inspection Written Preliminary Findings

Dates of Inspection: 3-14-22→3-18-22, 3-21-22→3-25-22, and 6-27-22

Operator: SOUTHERN CALIFORNIA GAS CO

Operator IDs: 18484 (primary) 18112

Inspection Systems: The entire transmission system

Assets (Unit IDs) with results in this report: All Transmission Assets (88388)

System Type: GT

Inspection Name: (2022) SoCal Gas and SDG&E TIMP Inspection

Lead Inspector: Paul Penney

Operator Representative: Alex Hughes, et. all

Unsatisfactory Results

No Preliminary Findings.

Concerns

Integrity Management : Risk Analysis (IM.RA)

Question Title, ID Threat Identification, IM.RA.THREATID.R

Question 3. Do records demonstrate that all potential threats to each covered pipeline segment have been identified and evaluated?

References 192.947(b) (192.917(a), 192.917(e), 192.913(b)(1), 192.632)

Assets Covered All Transmission Assets (AllTrans)

Issue Summary As a result of the violation of 49 CFR 192.939 found in the 10/11/2022 SED response letter to SoCal Gas/SDG&E's "Interpretation Impact Request" letter, there are potential specific violations of this code from threats discovered in between assessment cycles.

Therefore, please provide **ALL** HCA segments in SoCal Gas/SDG&E's system that had a new threat discovered/ activated that was found between the last completed assessment cycle and the prior completed assessment cycle. Please provide the response in a spreadsheet format (ie., xls). Please include the following in SoCal Gas/SDG&E's response in the spreadsheet.

1. Please identify the specific threat that was activated for **ALL** HCA segments where new threats were identified.

2. Please identify if the new threat identified in question 1 above has subsequently been assessed after the end of the last assessment cycle.

3. Please identify when the new threat identified in request 2 above was assessed after the last assessment cycle was complete.

4. For **ALL** HCA segments identified with new threats where the new threat has **not** been subsequently assessed, please identify a plan for assessing all these new threats prior to the next assessment cycle.

Integrity Management : Baseline Assessments (IM.BA)

Question Title, ID IM Baseline Assessments - Prioritized Schedule, IM.BA.BASCHEDULE.R

Question 8. Do records demonstrate that all BAP required assessments were completed as scheduled?

References 192.947(c) (192.921(d), 192.947(d))

Assets Covered All Transmission Assets (AllTrans)

Issue Summary

Per SoCal Gas/SDG&E's response to SED's question 20-3, SED staff filtered and sorted the spreadsheet according to records that have HCA segments assessed. According to Column K (Next Assessment Date), there is a category that is listed as N/A. Column I lists some of these as "N/A. Segment Removed". Therefore, it makes sense that these segments do not have future assessment dates. However, there is another category that states: "Assessed" in Column I with no future assessment date per Column K.

Please explain in detail why each of these thirty (30) segments does not have a future assessment date. In other words, please explain why these segments became non-HCA segments, or explain the factors that make each of these segments non-HCA.

Integrity Management : Moderate Consequence Areas (IM.MC)

Question Title, ID MCA Identification, IM.MC.MCAIDENTIF.R

Question 3. Do the records demonstrate MCAs are properly identified and documented with the physical characteristics/attributes, operating conditions, and surrounding environmental conditions of the pipeline?

References 192.624(a)(2) (192.710(a)(2),)

Assets Covered All Transmission Assets (AllTrans)

Issue Summary Data Request 21.3: **Concern.** Any segments where the diameter is greater than 12 inches must be assessed as a High Consequence Areas (HCAs) using Method 1 per GO 112-F.

What makes these class 3 locations non-HCAs? Is it the diameter of the pipe? Please confirm that all the identified segments are less than 12 inches in diameter.

Generic Questions : Generic Questions (GENERIC.GENERIC)

Question Title, ID Generic Question, GENERIC.GENERIC.GENPROCEDURE.P

Question 1. Generic question - please provide context in result notes.

References N/A

Assets Covered All Transmission Assets (AllTrans)

Issue Summary As a result of the violation of 49 CFR 192.939 found in the 10/11/2022 SED response letter to SoCal Gas/SDG&E's "Interpretation Impact Request" letter, there may be potential specific violations of this code from SoCal Gas/ SDG&E not correctly analyzing HCA segments with manufacturing and construction defects to determine if those HCA segments have potentially unstable manufacturing and/or construction defects.

Therefore, please provide **ALL** HCA segments in SoCal Gas/SDG&E's system that had manufacturing and/or construction defect threats at the start of SoCal Gas/SDG&E's Integrity Management Program in 2004. In other words, please provide the baseline assessment plan (BAP) showing **ALL** threats identified at that time. Please provide the response in a spreadsheet format (ie., xls). Please include the following columns in SoCal Gas/SDG&E's response in the spreadsheet.

1. The HCA identification date for **ALL** HCA segments identified in the BAP.
2. The maximum operating pressure for **ALL** HCA segments for the five years prior to the identification of the HCA segments. Where SoCal Gas/SDG&E does not have data to identify the maximum operating pressure **experienced** by the HCA segment, please indicate that in the spreadsheet.
3. Please provide the assessment plan in the same format as indicated above for all years from 2005 to 2019, including an extra column for the maximum pressure experienced by **each** HCA segment subsequent to the HCA identification of each segment until 7-1-2020.
4. For each assessment plan year, please identify the assessment completion due date for all identified threats.