



Alex Hughes
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December 16, 2022

Mr. Terence Eng, P.E.,
Program Manager, Gas Safety and Reliability Branch,
Safety and Enforcement Division,
California Public Utilities Commission,
505 Van Ness Ave, 2nd Floor
San Francisco, CA 94102

Dear Mr. Eng:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a **General Order (GO) 112-F Comprehensive Operations and Maintenance Inspection of San Diego Gas and Electric Company's (SDG&E) Distribution North Inspection Unit** on August 1 through 5, 2022. SED used the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety's "Inspection Assistant Form" as a reference guide to conduct the inspection. The inspection included a review of SDG&E's records from calendar years 2017 to 2021 and field inspections of selected pipeline facilities in the SDG&E's North Coast and Northeast Districts. SED's staff also reviewed the implementation of the Operator Qualification program, which included field observation of randomly selected individuals performing covered tasks.

SED's staff identified one (1) probable violation of GO 112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192, and noted six (6) areas of concern. Attached are SDG&E's written responses for the requested one (1) probable violation and three (3) concerns.

Please contact Alex Hughes at (949)697-2539 if you have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alex Hughes", is written over a light gray rectangular background.

Alex Hughes
Pipeline Safety and Risk Mitigation Manager

CC:

Neena Master, SoCalGas
Sann Naing, SED/GSRB
Kan-Wai Tong, SED/GSRB
Matthewson Epuna, SED/GSRB
Claudia Almengor, SED/GSRB

2022 SDG&E North Distribution Audit Response

Unsatisfactory Results

Records: Corrosion Control (PRR.CORROSION)

Question Title, ID Cathodic Protection Monitoring, TD.CPMONITOR.TEST.R

Question 8. Do records adequately document cathodic protection monitoring tests have occurred as required?

References 192.491(c) (192.465(a))

Assets Covered District North (87074 (47))

Issue Summary On July 8, 2022, SDG&E provided a list of four (4) work orders (WO# 510000889235, 510000889323, 510000889327, and 510000798797), that required compliance inspections. Three of the four reported work orders were completed within the required compliance windows. However, one of the four work orders (CP10) was past due its compliance inspection window (the work order #510000798797, that is designated as CP10 functional location GD.SDG.NRE.CP.10P_YR2_RT19). SDG&E missed the inspection compliance window for 18 out of 98 CP10 areas in the 2021 compliance cycle. These 18 CP10 areas were reported to the Commission through the “exception reports” program and SDG&E indicated in its report that its system error was the cause of missing the compliance window. On June 29, 2022, SDG&E began compliance action on these CP10 areas that were in non-compliance and completed thereafter.

Title 49 CFR, Part 192, Section 192.465(a) states:

“Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of § 192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.”

SDG&E failed inspect these 18 CP10 areas within the compliance window. Therefore, SDG&E is in violation of Title 49 CFR, Part 192 §192.465(a).

Response:

SDGE acknowledges that the company failed to inspect these 18 CP10 areas within the compliance window. During an internal review of our records, SDG&E identified these 18 orders and 7 additional orders and self-reported the missed inspections to the SED in July of 2022. During an investigation of why these orders were missed, SDG&E found that it was due to a process change of capturing the test point data while transitioning from paper to digital format.

Actions:

- All missed orders were scheduled, dispatched, and completed.
- SDG&E is working on enhancing a report that helps to verify and validate read completion data.
- SDG&E will continue to perform a review of maintenance plans to identify potential issues associated with Gas Distribution managed assets maintained in SAP.

Concern(s)

Records : Operations And Maintenance (PRR.OM)

Question Title, ID Distribution Patrolling, MO.RW.DISTPATROL.R

Question 19. Do records indicate distribution patrolling was conducted as required?

References 192.603(b) (192.721(a), 192.721(b))

Assets Covered District North (87074 (47))

Issue Summary SDG&E's bridge span BS-53 (Vista Bridge Span #53 - Haymar Drive and South Vista Way) inspection records indicated misalignment due to bent support that was not remediated since 2020 (WO# 510000755982 and WO# 510000824713 respectively). On August 3, 2022, SED visited BS-53 and observed SDG&E employee Edger Gafare perform the span inspection. SED queried Mr. Gafare if SDG&E repaired the bent support that caused the misalignment and Mr. Gafare indicated that the condition was still unmitigated, and the bent support has not been repaired.

On August 5, 2022 during SED's inspection, SDG&E explained that its Gas Engineering (GE) visited the site on November 10, 2021, to evaluate the pipe and the bent supports. Gas Engineering determined that the supports were sufficient and there were no concerns with the pipe alignment. Gas Engineering recommended applying grease to the supports to aid in possible pipe movement. On August 19, 2022, SDG&E indicated that its Gas Engineering revisited BS-53 on August 17 and made the following determination:

- All 5 hangers located under the total 72-foot span of the bridge were in good condition.
- The pipe hangers in the second and fourth position have the 1-1/2" STL pipe slightly off the roller. The wax tape seems to be caught on the roller and is holding the second bracket in misalignment.
- All rollers seem to require oil as they do not allow for much movement on inspection.

SDG&E indicated that it will oil the rollers and place the pipe back in full alignment on the rollers. SED would like SDG&E to provide the timeline for completion of the corrective action it articulated.

Response:

SDG&E is currently working with the Carlsbad City permitting and our approved contractor, to have the rollers oiled and the pipe placed back into full alignment at Bridge Span #53. The target completion date is by the end of Q2 2023.

Pipeline Field Inspection : Pipeline Inspection (Field) (FR.FIELDPIPE)

Question Title, ID Customer Meters and Regulator Location,
DC.METERREGSVC.CUSTMETERREGLOC.O

Question 4. Are meters and service regulators being located consistent with the requirements of 192.353?

References 192.351 (192.353(a), 192.353(b), 192.353(c), 192.353(d))

Assets Covered District North (87074 (47))

Issue Summary On August 3, 2022, during SED field visit to Valve ID# 10017, SED observed a nearby regulator station (Station number 969) where a car parked over the vault cover. SED shared its observation with SDG&E's representative that the regulator station did not have barriers to prevent vehicular damage. On August 19, 2022, SDG&E informed SED that it has generated work order number 300000524053 for the installation of a barrier post to be installed around Regulator station 969 and that the work is scheduled to be completed within 6 months after city permit approval.

Also, on August 4, 2022, during field inspection, SED observed a gas meter at the location of [REDACTED] Fallbrook, CA 92028 that was exposed to vehicular traffic but lacked a barrier post. On August 26, 2022, SED received an "As-Built Smart Form" from SDG&E with a Work Order (WO #) number 530000289454 for the planned barrier post installation. SDG&E indicated that it would provide the As-Built information when it completes the barrier post installation.

SED accepts the remedial actions articulated by SDG&E but may review and reassess these items during future inspections.

Response:

Once Regulator Station 969 was identified as needing vehicular protection, the location was referred to the Gas Engineering and Design Team, under work order 300000524053, to install an appropriate form of protection.

During a leak survey that was being performed during the CPUC audit, at [REDACTED] in Fallbrook, SDG&E identified a meter set that required barrier post protection. The location was referred to the Gas Operations team for remediation.

Actions:

- SDG&E is currently working with the County of San Diego to determine the most appropriate and acceptable form of protection from vehicular traffic at Regulator Station 969. The target completion date is by the end of Q2 2023.
- Vehicular protection was installed at [REDACTED], Fallbrook, on 8/22/2022 under work order 530000289454. The completed As-Built Smart Form was submitted to SED on 11/29/2022.

Pipeline Field Inspection : Pipeline Inspection (Field) (FR.FIELDPIPE)

Question Title, ID Odorization of Gas, MO.GOODOR.ODORIZE.O

Question 34. Is sampling of combustible gases adequate using an instrument capable of determining the percentage of gas in air at which it becomes readily detectable?

References 192.625(a) (192.625(c), 192.625(d), 192.625(e), 192.625(f))

Assets Covered District North (87074 (47))

Issue Summary SDG&E's Gas Standard, Procedure G8130 – Operation of Odorator, require that the gas source pressure to the Odorator be regulated to 4 psig or below and verified with a pressure gauge before performing an odor intensity test. On August 4, 2022, during field inspection, SED observed an odor test technician performing the odor intensity test at station OP. 53 in the North-East District. The technician used a portable gas regulator and regulated the gas pressure to approximately 4 psig for the test. SED asked if the pressure gauge being used was calibrated, and the last calibration date. The technician indicated that the gas standard did not require calibration of that pressure gauge, and he did not know if it was calibrated. SED believes that the calibration of the pressure gauge is important to ensure that the inlet gas pressure into the odorator is within 4 psig or below as prescribed in SDG&E's Gas Standard. SDG&E should ensure that the gas pressure into the odorator is at the prescribed value.

Response:

Gas Standard G8130 – Operation of Odorant indicates that a pressure indicating gauge should be used to verify inlet pressure to an odorator is at 4 psig or below. Odorator inlet supply pressure accuracy is not required, therefore indicating gauges are allowed. Per MSP 65-42 – Mechanical Gauges – Pressure Indicating there is no calibration interval for Indicating gauges. Indicating gauges can be verified against calibrated gas measurement equipment if defects are suspected. SDGE will review the Gas Standard G8130 and make changes if needed to clarify requirements for use of acceptable pressure gauges for this procedure.